FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Lebanon troops for riot city

The Lebanese Army is expected to take action to-day to end the fighting which has raged through the Northern port of Tripoli for the past nine days. A decision on emergency measures was taken despite claims by some leaders that use of the Army will exacerbate the situation.

Eyewitnesses said about 500 Moslems from Tripoli and its suburbs fought all morning against some 300 Christians from the nearby mountain town of Zghorta, but that by evening firing was only sporadic.

In Washington, Dr. Henry Kissinger sought to counter the impression that the new Israeli-Egyptian disengagement agreement had incurred the displeasure of the Soviet Union. But Dr. George Habbash, the head of an extremist guerilla group, the Popular Front for the Liberation of Palestine, bitterly criticised President Sadat. In Geneva, meanwhile, Israeli and Egyptian officials are quietly discussing the implementation of the new Sinai agreement. Middle East news Page 5.

3 dead, 100 hurt in coach crashes

Three people died and more than 100 were injured in three separate coach crashes. Mrs. Winifred Hill, 70, of Woodstock, Glos., died when a coach taking pensioners to the seaside hit a tree on the A46 near Bristol—50 people were hurt, one seriously. In London, 40 children were taken to hospital after their coach hit a skip in Ealing—three were detained. In Tatsfield, Surrey, two died when a coach and the car in which they were travelling collided head-on.

Sihanouk goes home

Prince Norodom Sihanouk, Cambodia's titular ruler, flew home to Phnom Penh after five years and five months exile in China. The former monarch was given a tumultuous farewell in Peking's Tien An Men square. He must now seek a modus vivendi with Cambodia's new Khmer Rouge Government. Page 5

Olympic accord

The Canadian Broadcasting Corporation reported that details will be announced on Friday of a compromise between the Olympic Organising Committee and the European Broadcasting Union on the sale of television rights for the 1976 Montreal games.

Old survivor

Rescue workers dug a 100-year-old man alive from the rubble of Lice, Turkey, flattened by Saturday's earthquake. Lice's official death toll has topped 1,200 with 1,134 known dead in 26 surrounding villages. Another 24 villages have still not been heard from and officials estimate the final death toll at more than 3,000.

Nation's Needles

Needles Headland, the famous Westernmost point of the Isle of Wight, has been bought by the National Trust with the help of £5,000 from an anonymous donor.

Briefly . . .

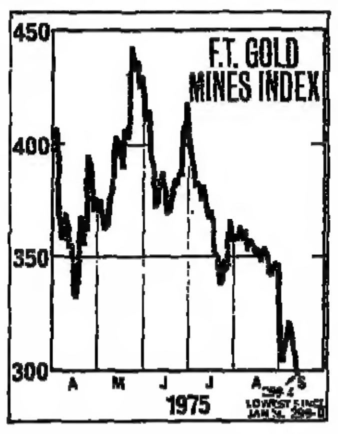
Princess Margaret's children, Viscount Linley, 13, and Lady Sarah Armstrong-Jones, 11, joined 100 other new pupils at Bedales, one of Britain's most progressive co-ed boarding schools.

U.S. Navy refused to confirm Press reports that a topless dancer's performance aboard nuclear submarine Finback in July was the reason for the dismissal of skipper Cmdr. Connelly D. Stevenson.

BUSINESS

Golds go below 300: equities rise 1.2

● EQUITIES recovered after an early setback. The FT 30-share index, down 5.4 at 11 a.m., finished a net 1.2 higher at



320.3. The Gold Mines shares index lost 12.4 to carry it below the 300 mark. At 299.4 it is the lowest since January 24.

● GILTS marked time, returning to overnight levels except for shorts which eased.

● GOLD lost $3 to close at $148¼ in a nervous market.

● STERLING fell 5 points to $2.1105; its weighted depreciation was unchanged at 27.5 per cent. The dollar's fall widened to 2.73 (2.70) per cent.

● WALL STREET fell 12.36 to 827.75 on inflation fears.

● PRESIDENT FORD has vetoed legislation that would have extended domestic oil-price controls for another six months. The Senate will vote on an attempt to override the veto to-day. If this is successful the House of Representatives will then debate the issue. Page 4

● EUROPEAN COMMISSION regards allegations of car dumping by the U.S. as "protectionism" and wants a common Community approach to the whole issue of U.S. trade "irritations." Page 6

Japan draws up reflation plans

● JAPAN is working on new reflationary measures to pull the economy out of its recession. Sources say increased public spending and a reduction in the Bank of Japan discount rate are likely (Page 5). Hopes that the Spanish recession has bottomed out rose after the Government's latest survey of business opinion. Page 6

● CAR and commercial vehicle output in the U.K. continued to fall last month, in the wake of sluggish demand both at home and abroad. Page 10. British Leyland unveils its dearest Jaguar—the 150 mph XJ-S coupé costs £8,900. Page 25

● BRITISH GRAIN harvest should total just over 14m. tons, nearly 2m. tons less than last year, according to the first official estimate. Page 31

COMPANIES

● DEUTSCHE BANK, West Germany's leading commercial bank, hopes to have a London quotation for its shares before the end of the year, and is planning to open a branch office in London. Men and Matters, Page 18

● RECKITT AND COLMAN first-half taxable profits rose from £15.23m. to £17.37m., aided by a currency exchange profit of £1.32m. Chairman Mr. A. M. Mason looks forward to continued progress. Page 20 and Lex

● RICHARD COSTAIN half-year pre-tax profits rose £1.32m. to £5.51m. For the full year a "useful increase" on 1974 profits are expected, and the Board intends to recommend the maximum permitted dividend. Page 22 and Lex

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Babcock & Wilcox	115	+ 3
British Sugar	320	+ 7
Cape Inds.	106	+ 4
Dale Elect.	114	+ 4
Esperanza	76	+ 6
Floreat Inv.	46	+ 16
Furness Withy	249	+ 8
GEC	124	+ 3
Glaxo	280	+ 4
Hepworth "B"	36	+ 3
Nairn Williamson	92	+ 6
Nat. Bank Aust.	243	+ 13
Philips' Lamp	688	+ 12
Reckitt & Colman	310	+ 4
St. Kitts (Ldn.) Sugar	105	+ 7
Thorn Elect.	200	+ 6
Cons. Tea & Lands	200	+ 15
Burmah Oil	34	+ 3
MIM Hldgs.	208	+ 8

FALLS

Commercial Union	143	− 5
Church	105	− 5
Electrocomponents	98	− 4
Fisons	373	− 5
Glanfield Secs.	155	− 10
Guardian Royal Exch.	182	− 5
Hill & Smith	60	− 5
ICI	265	− 6
Lyons (J.) "A"	134	− 4
Pride & Clarke	135	− 7
Robb Caledon	15	− 3
Rowntree Mackintosh	188	− 4
Royal Insurance	288	− 4
BP	520	− 15
Ang. Am. Gold Inv.	£34½	− 1½
Hampton Areas	90	− 4
Messina	345	− 10
Pot. Plat.	234	− 8
Randfontein	£24	− 1
Vaal Reefs	£24½	− 1½
S.A. Land	260	− 35

Jobs action pledge as Ministers stress economic facts

BY JOHN BOURNE and PHILIP RAWSTORNE

Senior Ministers warned Labour's National Executive Committee yesterday of the precariousness of the Government's political and economic situation. This was regarded as an attempt to inculcate a sense of reality among the Executive before the party's annual conference in three weeks' time.

Simultaneously, Mr. Denis Healey, Chancellor of the Exchequer, and Mr. Michael Foot, Employment Secretary, set out to allay the Executive's immediate fears about unemployment by promising Government measures shortly to alleviate the situation. These would concentrate on making the "employment subsidy work," and would include a huge expansion of industrial retraining facilities and new schemes to help jobless school-leavers.

But the Chancellor, who, with the other Ministers, was speaking at a joint meeting of the Cabinet and the NEC made it clear that the measures could do little to prevent "a difficult winter for us all."

Last night, the possibility of an autumn Budget was firmly discounted by the Treasury, and Mr. Healey gave no hint of one at the meeting.

Mr. Healey indicated that he could not consider even a limited reflation of the economy until there was real evidence that inflation was being brought under control. The country was living on borrowed money and could not continue to do so, he said.

Mr. Foot, confirming that the Government's employment measures would come "in the very near future," said that unemployment was overwhelmingly the biggest problem the Government now had to face. "If we do not tackle it, we shall be swept away," he said.

However, he warned that the Government could also be swept from power if a 20 per cent. inflation rate continued and called on the Executive to support the Government and the TUC in their attempts to make the £6

Editorial Comment Page 18

wage increase limit work. The importance of the TUC-Government agreement, he added, was that "it must be unbreakable."

The most important thing of all was for the Government to work in harmony with the TUC. "Everything we do must be worked out with the TUC."

Politically, in Parliament with Labour's majority down to one, "we are in a most precarious position," said Mr. Foot. "And our economic position is very, very precarious."

Mr. Anthony Crosland, the Environment Secretary, told the meeting that the brutal fact was that a lot of dissatisfaction with the Government was due to ignorance of what had been achieved and the need to implement the party manifesto gradually and not all at once. It was dangerous to build up expectations that could not be realised, and he added forcefully: "Party and party activists' opinion is not necessarily always the same as public opinion.

"A lot of what we want to do would mean raising rates and taxes. This would be unacceptable to the public."

Mr. Healey stressed that local authorities, nationalised industries and other parts of the public sector were spending 20p in the pound more than they received in revenue, creating a most dangerous deficit. "This cannot go on," he said.

If it did, with the present rate of inflation, income tax would have to go up to 50p in the pound for the average worker, which would be completely unacceptable to the unions. Last year added the Chancellor, Britain had spent abroad 5p in the pound more than it had earned and money had to be borrowed from the "gnomes of

Continued on Back Page

Bank to examine clearers' lending operations

BY MICHAEL BLANDEN

THE BIG clearing banks have agreed for the first time to submit to detailed examination of their lending operations by the Bank of England.

Details of new arrangements for supervising U.K. banks are likely to be released soon by the Bank, possibly in the Quarterly Bulletin due next week.

In these arrangements, the clearing banks may be required to produce returns annually, rather than the quarterly or even more frequent examination to which other banks are already subjected.

Because of their size, strength and existing close relationships with the Bank, the clearers have been regarded as in a special category, and were omitted from the requirement for quarterly returns imposed a year ago.

A special working party and detailed discussions have been held to fit them into the new supervisory arrangements being set up in the wake of the problems in the secondary banking system.

The new rules are not expected to include specific and detailed regulations on capital and other ratios for the banks to follow. They will adopt the flexible approach stressed by Mr. George Blunden, head of the Bank's supervisory department, in a paper earlier this year.

Guidance is likely to be given on the sort of figures the Bank will look at in examining bank returns. These are expected to include two more areas, three capital and liquidity, singled out by Mr. Blunden as important in considering a bank's solvency and stability.

The Bank is expected to adopt the individual approach to assessing each bank advocated by Mr. Blunden earlier this year, when he argued: "There can be no inviolable figure or proportion that must apply to every bank."

The approach to examination of the banks' returns is likely to involve detailed consideration of each bank's lending operations in orer to relate different types of risk to the appropriate levels of capital and liquidity.

In examining the adequacy of capital resources, the Bank is likely to look at each bank in relation to the nature of its lending activities.

Instead of the broad capital-to-deposits ratio, capital and reserves will be expected to cover, first, a bank's "infrastructure"—its investment in buildings and other capital resources—leaving a margin free to protect depositors against losses.

To ensure these are sufficient, it is expected the Bank will consider past loss experience and the nature of the loan portfolio, as well as any events outside the control of an individual bank (such as the collapse of the property market which hit the secondary banks) which could affect its position.

It will also be interested in levels of earnings and retained profits, and in the type of capital—equity, loan stock or reserves—which provide the bank's backing.

Liquidity is regarded as important. Mr. Blunden has pointed out that it was lack of liquid funds rather than capital which caused many of the problems experienced by banks here and abroad.

Instead of the crude liquidity ratios commonly adopted in the past, however, it is expected that supervision will involve relating liquidity levels to the nature of the lending involved and the degree of risk.

For example, where a bank is lending for a fixed period on the basis of matched deposits, liquidity can be minimal, while loans from volatile deposit resources would need greater protection.

The new moves follow the substantial action already taken to tighten bank supervision in the wake of secondary bank collapses. This has included expansion of the supervisory department, and requiring all the banks to produce expanded and more frequent returns.

£ in New York

—	Sept. 9	Previous
Spot	$2.1100-2.1110	$2.1110-1115
1 month	0.72-0.66 dis	0.55-0.50 dis
3 months	1.80-1.75 dis	1.75-1.70 dis
12 months	6.27-6.20dis	6.05-5.90 dis

We would denationalise North Sea oil says Mrs. Thatcher

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

A CONSERVATIVE Government would denationalise those parts of the North Sea oil industry taken into public ownership under the Labour Government's plans for majority participation.

This commitment was given yesterday by Mrs. Margaret Thatcher, Opposition Leader, who was speaking in Aberdeen at the end of a four-day tour of Scotland which included talks with oil industry leaders in the north-east region.

She said she had found an element of uncertainty among North Sea oil developers injected by rising operating costs but more significantly by the Government's proposals to take a 51 per cent. stake in the industry through its proposed British National Oil Corporation.

It was absolutely absurd, she said, that a Government which was not "over-flush with money" should make oil industry nationalisation its top priority in preference to using oil royalties to provide the housing, roads, schools and hospitals which were needed.

Asked if she would denationalise the industry if the Conservatives won power, she said: "When one can re-sell what has been sold to the Government—yes. You always have to find a buyer."

Mrs. Thatcher: State control causing uncertainty in the industry.

Mrs. Thatcher was speaking after visiting the exploration rig Sea Quest operated by BP in the North Sea.

It was this rig which made the initial discovery on the company's Forties oilfield 110 miles east of Aberdeen which will ultimately account for about one-fifth of the U.K.'s oil requirements.

It will be the first of the major North Sea oilfields to come into production and will be formally inaugurated by the Queen in November.

BP has just begun pumping Forties field oil into the pipeline to the Aberdeenshire coast. It expects to take 35 days to complete this operation.

Mrs. Thatcher also announced a further reshaping of the Conservative Party hierarchy in Scotland. She has appointed Mr. Russell Fairgrieve, MP for West Aberdeenshire, as chairman of the party in succession to Mr. George Younger, the Conservative front bench defence spokesman.

She recently appointed Mr. Graham Macmillan to the new post of Scottish Director.

The party was aiming at the next election to win back a minimum of six, and a maximum of 12, Scottish seats.

New signs of heavy State borrowing

By William Keegan, Economics Correspondent

THE GOVERNMENT yesterday issued further information adding to the impression that its borrowing in the current financial year is running well ahead of Budget estimates.

In the latest issue of Financial Statistics it is stated that the central Government borrowing requirement in the first four months of the 1975-76 financial year (that is, April 1 to July 31) totalled £2.991bn., nearly three times the £1.059bn. recorded in the same period of 1974-75.

City forecast

The out-turn for these four months compares with a forecast in the Financial Statement at the time of the Budget that central Government borrowing would total £7.8bn. for the whole financial year (the major element in a projected total public sector requirement of £9bn.).

While there are one or two special factors affecting the comparison with last year, there can be little doubt that the borrowing requirement is running nearer to the higher figures recently predicted in the City than to the official Treasury forecasts.

The background to this discrepancy was spelt out last week, when the Treasury published figures showing that central Government spending rose by no less than 47 per cent. between the first five months of the 1974-75 and 1975-76 financial years.

The increase in Government revenue—while large by any standards—was, at 33 per cent., considerably smaller.

Pay impact

Much of the increase in Government spending is directly attributable to the pay explosion in the public sector earlier this year.

It also seems likely that the physical volume of central Government spending has been rising somewhat faster than the 1.1 per cent. increase projected originally for this financial year.

State grants respite to New York

BY GUY DE JONQUIERES NEW YORK, Sept. 9.

NEW YORK CITY has been reprieved from the threat of imminent bankruptcy, but it must now face up to a welter of uncertainties and painful choices if it is to avert the risk of another financial catastrophe within months.

Early this morning, after an all-night session of the New York State Legislature, Governor Hugh Carey signed into law an emergency Bill providing $2.3bn. in new aid to the city. The money will come from a variety of sources, including the State itself, city pension funds and the banks.

The new package will, however, tide the city over only until November or December, after which its huge cash needs will force it once again to seek outside funding. Pointing out the plan's limitations, Mr. Warren Anderson, an influential Republican State Senator, warned today that it is "fraught with danger."

More optimistic officials hope that the plan will allow the city enough time to re-establish confidence on the financial markets so that it can resume borrowing on its own account later this year. Others, including Governor Carey and Mr. Anderson, fear that it will not be able to struggle up from its knees without some form of help from the Federal Government.

Prospects for Federal assistance—presumably some form of guarantee of New York's securities—remain uncertain, but the Ford Administration has at least shed its former air of insouciance towards the consequences of a default by the city. There have been hints recently that the Treasury has begun to formulate contingency plans.

In any event, it now appears certain that fresh cuts will have to be imposed on city expenditures in the next few months if any progress is to be made towards a longer-range solution of its problems. These measures will probably prove unpopular, and have grave political implications.

In exchange for the rescue package, Mayor Abraham Beame and the City Government have been required to surrender the bulk of their authority over municipal revenues and expenditures to a newly-established seven-member committee on which State representatives will predominate.

This committee will be responsible for wielding the axe on New York's Budget, but Mayor Beame, whose political base has already been badly eroded as a result of the fiscal crisis, will probably be assigned the unenviable task of presenting the committee's decisions to the powerful municipal unions.

Foretaste

A disturbing foretaste of the problems that this may involve has been provided by the city-wide strike by the militant New York teachers' union which began this morning. The strike threatens to paralyse almost all the municipal school system.

Significantly, the strike has not been called primarily over the salary demands which the teachers have been negotiating, and the union has even retreated from its original claim for a 25 per cent. across-the-board increase, which would have raised the median salary to about $20,000 a year.

There are two issues at the heart of the dispute, which bear even more closely on New York's fiscal predicament. The first is the teachers' bitter discontent at the effects of Budget cuts ordered earlier this year, which have resulted in bigger classes and a reduction in security guards—a regrettable necessity in many of the city's tougher schools.

Second, the union is reluctant to negotiate with the education authorities while the future of the city's administration remains so unclear. It fears that any concessions won during the present round of bargaining may be revoked by the new state-dominated committee once it takes control of municipal finances.

FEATURES

ON OTHER PAGES

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LOMBARD

Exploiting an abundance of sun

BY C. GORDON TETHER

NOW THAT so many of the inhabitants of the affluent world have been persuaded that the most desirable way of spending a holiday is in acquiring a tan to take back home, there is no natural asset that a country can more profitably exploit than a reliable supply of warm sunshine. It is also apparent, however, that no form of economic activity is more vulnerable to the growth of political instability that is one of the more worrying features of the current world scene than that concerned with catering for the sun-seeking traffic.

Apart from the plethora of party slogans adorning walls, road signs and every other conceivable place left behind by this year's abortive General Election, the most striking feature of the current scene in Portugal's Algarve is the number of tourist development projects that appear to have been suspended in mid-stream.

The blight that has suddenly struck what has been for many years one of the country's biggest growth industries is evidently attributable in some measure to the dislocation of the financial system which political unrest and the economic crisis it has produced have brought in their wake. But there can be little doubt that confidence in the continuing viability of property development of this kind is suffering considerable damage at the hands of the doubts about the country's entire future which the upheavals of the past year have inevitably generated.

Cross-fire

The fear of getting caught in the cross-fire between rival factions which has kept some holiday-makers away from Portugal this year will hopefully pass. What is less certain to survive the present turmoil is the popularity of the ville and apartimento in the Algarve among retiring British and other North European expatriates.

Already concern about the attitude a left-oriented government might adopt towards such residents has become sufficiently marked to create a supply-demand situation wherein villas are becoming difficult to sell. And often the creation of summer holiday accommodation is not economically or financially justifiable unless it is going to be put to use by expatriate residents during the remaining months of the year.

There is an obvious possibility that consideration of the same kind will begin to make themselves felt in neighbouring Spain now that there is a tendency to see in the recent outbreaks of civil strife there the prospects of the onset of a "Portuguese-type" situation developing — though I imagine that any environmentalists who have visited the more southerly "costas" in the recent past could regard this as a blessing in disguise.

One hopes that the moral will not be lost on the developing countries on the other side of the Mediterranean that have been taking advantage of the ever-increasing demand for sunshine to enlarge their foreign exchange earnings under the tourism heading.

I was much impressed when I visited Tunisia earlier this year to see the enthusiasm with which tourist complexes aimed at providing a maximum contribution to the solution of the problem of unemployment and under-employment in the rural areas were being developed at suitable points along the country's long coastline. When I paid a short visit to Morocco during my latest vacation, I was intrigued to see that, after a somewhat hesitant start, this country is making considerable efforts to create facilities needed to get the modern tourist flocking in.

Modern aids

A good deal of effort is obviously being devoted to improving the road system. At the same time, accommodation of a standard that would do credit to European and North American hotels of three- or four-star status is now being provided by hotel chains even in the more remote southern parts of the country.

The traveller may still "suffer" from the attentions of a surfeit of would-be guides and self-appointed watchers over the safety of his car. But those who are loth to do without the comforts of modern life in indulging their sense of adventure can now travel to such tourist attractions as Marrakesh knowing that there should be a room with a bath awaiting them there.

In the course of time, earnings from tourism could come to play just as important a part in improving the foreign exchange earnings—and thence the living standards—of these still relatively poor North African countries as they have done in the case of Spain. But all this depends on their governments being able to steer the kind of political course that will prevent the entire traffic being placed in jeopardy by internal unrest.

That is not an easy assignment now that discontent is apt to erupt into violence so readily almost everywhere. But it is essential that countries contemplating making a big thing of their tourist industries should attach the highest priority to it.

RACING BY DOMINIC WIGAN

Champagne for Riboboy

THREE HIGHLY rated and unbeaten two year olds—*Riboboy*, *Wollow* and *Solitary Hail*—are due to clash in to-day's £7,000 Laurent Perrier sponsored Champagne Stakes (3.05) at Doncaster.

This race, won a year ago by Grundy, seems sure to provide some useful pointers to 1976 classic form.

Riboboy and Wollow, who are bidding for hat tricks, both needed to be shaken up in order to score last time out.

Riboboy, a handsome Ribot colt, had to be strongly driven a quarter of a mile from home in the Lanson Champagne Stakes at Goodwood six weeks ago, before he responded with a fine late burst, which carried him past Pigsticker and Pirate Dream.

Wollow, showing distinct signs of inexperience, needed a reminder in Newmarket's Fitzroy House Stakes before going on to outclass his four opponents headed by Count.

Wollow, a bay colt by that highly promising young sire, Wolver Hollow, out of the Worden II mare, Wicharalana, will almost certainly have come on a few pounds since last month's Fitzroy House Stakes.

But I doubt if either he or Solitary Hail, a clear cut winner of Ascot's Granville Stakes, will prove capable of holding Riboboy.

Joe Mercer, who partners Riboboy could ride another winner, in Henry Candy's tough four year old, *Dubrovnik*, among

DONCASTER
2.00—Toussaint
2.35—Highest
3.05—Riboboy*
3.35—Two Swallows
4.05—Rundontwalk
4.35—Regal Rocket**

FOLKESTONE
2.45—Great Charter
3.45—Bustling

SALISBURY
3.00—Powderhall***
3.30—Lei
4.30—Moor Lane

the runners for the Rufford Abbey Handicap (4.35).

On his last appearance the Kingstone Warren colt was not hard pressed to give the five-year-old Cadogan Lane 6 lbs and a two lengths beating in the Goodwood Stakes at the end of July.

Cadogan Lane has not been out since that defeat, but the third, Belle Bretonne, who came home nine lengths behind Dubrovnik, followed up with a useful effort at Sandown a fortnight ago—a close third behind *Regal Rocket* and Go Gracefully in the two miles Hook Handicap.

Regal Rocket, who was completing a hat-trick in that Sandown event, is also in to-day's line up.

With that talented 3 lbs. claiming apprentice, Richard Fox, reducing his weight to 7 st. 4 lbs., the Newmarket three-year-old seems certain to be favourite.

In what may well prove to be a closely fought race I expect to see Regal Rocket wear down Dubrovnik and the course specialist, *Broughty Harbour*.

With Silky unable to compete in the Devonshire Stakes (5.15), the way will be clear for Sir John Musker's much improved Gala Performance filly, *Drury Lane*.

On her last outing the Malton three-year-old responded well to hard driving from Shawn Salmon when holding off Deodar in the Rede Handicap at Newcastle just under a month ago.

A reproduction of her form there will probably enable Drury Lane to deal with the recently disappointing *Harmonise* and *Queen of the South*.

At Salisbury, where Pat Eddery can gain his 135th winner of the season on *Moor Lane* in the Bridgewater Handicap (4.30) I confidently expect to see *Powderhall* gain an overdue success in the Fleet Maiden Stakes (3.00) in which *Ghita* appears booked, yet again, for the runner-up's spot.

SALEROOM BY ANTONY THORNCROFT

Bracket clock makes £12,500 at Phillips

A 17TH-CENTURY ebonised bracket clock, made by Joseph Knibb of London, was bought by a private Scandinavian collector for £12,500 at Phillips yesterday. This was well above the pre-sale estimate of £8,000-£9,000, and represents the highest price achieved by Phillips for a clock.

It was a remarkable sale of furniture and clocks, attracting the biggest attendance of home and foreign buyers for many months, with dealers overflowing into the corridor outside the saleroom.

This partly reflected the high quality of the clocks on offer, and partly the dealers' desire to rally around Phillips, which alone among the big three London salerooms has not imposed a 10 per cent. buyer's premium.

The sale realised £66,300, well above the Phillips average, with the clocks making £38,800. The same Scandinavian buyer bought clocks to the value of £28,800, including a gilt metal table clock with 17th-century case and 18th-century movement for £6,600 (more than twice the estimate) and a 17th-century walnut long case clock, by James Clowes of London, for £2,500.

A good example of the strength of the demand was the £1,200 paid by a dealer for a rare table regulator time-piece, by Dent. The vendor had placed the exceptionally modest reserve of £35 on this clock, although Phillips had estimated that it might make £1,000.

At Sotheby's, Belgravia, a sale of Victorian paintings, drawings and watercolours realised £19,352. Pawsey and Payne, of London, paid the three top prices of £560 for a landscape near Ludlow dated 1863 by Edmond John Niemann Senr., £550 for *Harvesting* by Alfred Augustus Glendenning Senr., and £480 for *Scheveling Beach* by James Webb. A private buyer gave £400 for *A Village Street in Devon* by Edward W. Waite.

FT CLIPPER RACE

Progress by Kriter II

Financial Times Reporter

KRITER II appeared to have taken the lead in the Financial Times Clipper Race yesterday morning. Still keeping to the inshore course, she reported her position approaching the Canaries at 0830 GMT as 31° 15′ N, 15° 45′ W.

Half-an-hour earlier the British joint Services entry Great Britain II gave her position as 32° 25′ N, 18° 05′ W, and seemed ready to take a course outside the Canaries.

However, although Kriter may be aiming for a favourable current through the Canaries, both have the same distance to run to the Cape Verde Islands.

At 0900 GMT the Italian schooner CS e RB II was at 35° 20′ N, 15° 05′ W some 250 miles behind Kriter and approaching Madeira. Conditions were reported as good, with the following wind freshening.

There was no report from The Great Escape, who last gave her position off Cape Finisterre on Sunday morning.

GARDENS TO-DAY

Plants beside the seaside

BY ROBIN LANE FOX

SEPTEMBER BEING the month in which I tend to find myself by the seaside, it is also the month in which I most regret the siting of my garden and encourage the thought that one day it might be otherwise. Sea kale and samfer could grow wild for my dinner beyond a protective hedge of holm oak: you would never see the equal of my Hebes in late summer, and the show of silver leaves would make up for the surrounding architecture of port-holes, cart-wheels and mock thatched barns.

There might even be some young palm-trees, kept to the elegant height of three or four feet, like the palm-trees in those Byzantine mosaics of paradise. When palms run to a coarse hairy trunk and a head without coconuts at a height of 15 feet, they are no longer my idea of heaven.

Sand and gales

Seaside gardening calls for ingenuity and, I suspect, an intelligent interest in botany. Its two characteristics are well known, sand and severe winter gales. Yet when studying the beautifully-kept gardens of the south coast sea-fronts, I am surprised how seldom they are planted to make the most of these two hazards. Hydrangeas and summer bedding-plants are as popular as in inland gardens. There are occasional clumps of adventurous evergreens, but seldom a garden of seaside plants, let alone a garden of our own native seaside plants which are one of the most remarkable sections of the British flora and long overdue for the gardener's attention.

A seaside garden should surely be a site for a plant which can protect itself and which also likes sandy soil. I have not seen the Hebe family in their native New Zealand and Australia. They are known to some as shrubby Veronicas and are familiar to all for their flowers like bottle-brushes at home.

I imagine that they are frequently to be found growing wild by the sea. By nature they are clearly suited to such surroundings. Their growing buds are protected by a series of folded young leaves behind which they can open, as relatively safe from the sea-wind as a bather behind a changing screen. Their leaves' outer layer of cells, or epidermis, is doubly thick, again as a defence against sea-gales.

When nature has taken such care to suit the Hebe to the seaside, it must be a first choice among plants for gardeners by the sea. But you must choose your variety carefully.

Those of you who associate the Hebe only with sooty parks and seaside slot-machines probably know the dull leaves and short white flowers of the awful Brachysiphon variety or the pearl grey leaves of Hebe Pagei, a low-growing ground cover which is popular, but not exciting.

Spectacular

The Hebe fancier would do better to turn to a catalogue from a nursery in mild conditions: Treseders of Truro in Cornwall is as representative as any. Names are still in confusion, but the pink and rose-purple variations on Hebe Speciosa are all spectacular, La Seduisante (almost crimson) and Gauntletti (rosy pink) being best known to me. Bright leaves and shapes can be enjoyed in the well-named "whipcord" varieties, especially the dark yellow Armstrongii and the scented grey-greens Cupressoides.

Hebes are incredibly easy to root from cuttings. They grow very fast and can be moved from place to place in high summer. Butterflies frequent the long-flowered Speciosa varieties, and I would not have a seaside garden without them.

Seaside hedges are a pleasant challenge too, and it is a shame to rest content with an ordinary privet. I would seize the chance for a screen of evergreen Pittosporum, hardy in some inland gardens (there is a splendid barrier of this shrub round the car-park of Exbury nurseries in Hampshire) but it is unwilling to make a go of it at 400 feet with me. It is one of the few hedging plants which is irresistible for flower-arrangements, so you can combine clipping and pruning with interior decor.

Its wavy leaves of shiny olive green are a natural foil for the brighter flowers of late summer borders. The silver-varieg[ated] Pittosporum Silver Que[en is] more beautiful, though p[er]less hardy: a hedge of it [would] I suppose, reach ten foot or [so]. If it was not clipped too it would eventually flower small dark flowers match Pittosporum's dark stems smell charmingly of chocol[ate].

One reason why the [Pitto]sporum likes to be beside [the] sea is the rather waxy finish to its leaves. Pres[umably] this protects it against gales and, above all, undue loss of water during dry weather, when the sandy soil loses its moisture.

A similar toughening leaf explains the contentment most silver-leaved plants sea-side garden. I would thought that the splendid Buckthorn, pinks, Silver [Arte]misia and the grey Sea Pur[slane] Atriplex Halimus, would been taken up widely beside sea. Yet it is seldom that sees them among the inev[itable] beds of floribunda roses.

Behind my pittosporum among my hebes I was tempted to try out an which I have long been to find a home. I would plant a garden of purple-maroon flowers and silver-green leaves, whole garden but a corner, at least, where the colour of very sandy soil make an admirable back[ground].

Variations

Dark violas and violets bedding pelargoniums summer, masses of Iris Knight and maroon Tulips April and May: there is a with black catkins (Salix stachys) and there are on maroon in petunias, daisies and selected poppy and dahlia. White and the furry grey leaves inevitable Lamb's Ear Lanata) would set off flowers dramatically.

Maybe you think this the passing fancy of a visitor whose skin has toughened, like a Hebe's, sea-winds, but you must it would be more than another bank of Hydrangea and a border Lobelia beneath more roses.

TV Radio

† Indicates programme in black and white.

BBC 1

12.55 p.m. News. 1.00 Pebble Mill. 1.45 Camberwick Green. 3.58 Regional News (except London). 4.00 Play School. 4.25 Roobarb. 4.30 Jackanory. 4.45 The Mole and the Gardener (cartoon). 4.50 These Are the Days. 5.10 John Craven's Newsround. 5.20 Golden Hair. 5.40 Hector's House.
5.45 News.
6.00 Nationwide.
6.55 It's a Knock-out.
8.10 Softly, Softly: Task Force.
9.00 News.
9.25 I Didn't Know You Cared.
9.55 The Detectives.
10.45 To-night.
11.20 Weather/Regional News.

All Regions as BBC 1 except at the following times:—

Wales—1.45-2.00 p.m. Llon a Llwyd. 5.20-5.40 Maldwynaldwyn. 5.40-5.45 Crystal Tipps and Alistair. 6.00-6.55 Wales To-day. 6.55-7.25 Heddiw. 7.25-8.10 Star Trek. 11.20 News and Weather for Wales.

Scotland—6.00-6.55 p.m. Reporting Scotland. 11.20-11.40 Women's Hockey Final. 11.40 Scottish News Summary.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.55 Scene Around Six. 11.20 Northern Ireland News Headlines.

England—6.00-6.55 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth).

BBC 2

6.40 a.m. Open University.
10.35 Nai Zindagi Naya Jeevan.
11.00 Play School.
5.00 p.m. Open University.
7.30 Newsday.
7.45 A Taste of Britain.
8.10 Passage West.
9.00 The Accursed Kings.
10.40 Open Door Forum.
11.10 News Night.
11.25 Closedown: Barry Foster reads "The Hung Wu Vase" by Robert Graves.

LONDON

10.30 a.m. The 21st Century. 10.55 "Let's Be Happy," starring Vera-Ellen and Tony Martin. 12.40 p.m. Rainbow. 1.00 First Report: News, FT index. 1.20 Lunch-time To-day. 1.30 Mr. and Mrs. 2.00 Good Afternoon. 2.25 Racing from Doncaster. 4.25 Michael Bentine's Potty Time. 4.50 Shadows. 5.20 Out of Town.
5.50 News from ITN.
6.00 To-day.
6.35 Crossroads.
7.00 Survival.
7.30 Coronation Street.
8.00 The Les Dawson Show.
9.00 Raffles — the Amateur Cracksman.
10.00 News.
10.30 The Wednesday Special.
11.25 The X Film: "The Man Who Could Cheat Death," starring Anton Diffring and Christopher Lee.
12.55 a.m. Men, Morals and Management.

All ITV Regions as London except at the following times:—

ANGLIA

1.25 p.m. Anglia News. 2.00 Houseparty. 5.20 Arthur. 6.00 About Anglia. 11.25 The Big Question.

ATV MIDLANDS

1.20 p.m. ATV Newsdesk. 5.20 ATV Today, including Junior Police Five. 6.00 ATV Today. 11.25 Orson Welles Great Mysteries. 11.55 Dr. Jane Gray.

BORDER

†1.25 Border News. 6.00 Border News and Lookaround. 11.25 The Protectors. †11.55 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's on Where. 5.20 Circus. 6.00 Channel News. 6.10 The Houndcats. 11.25 Orson Welles Great Mysteries. 11.55 News and Weather in French followed by Epilogue.

GRAMPIAN

1.20 p.m. Grampian News Headlines. 5.20 Out of Town. 6.00 Grampian News. 6.10 Love American Style. 7.00 Top Club. 11.00 Police Surgeon. 11.25 Police Newsroom. 11.30 Evening Prayers.

GRANADA

9.30 a.m. Sesame Street. 10.25 Man And His World. 10.40 The Galloping Gourmet. 11.05 Untamed World. 11.30 Minstrels in Yugoslavia. †12.20 p.m. The Three Stooges. 1.20 This Is Your Right. 5.15 Take Kerr. 5.20 Crossroads. 6.00 Granada Reports. 6.35 Movin' On. 11.25 Music For Guitar. 11.55 Theatre Macabre.

HTV

1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 1.30 Galloping Gourmet. 2.00 Houseparty. 5.20 Smith and Friends. 5.25 Crossroads. 6.01 Report West. 6.18 Report Wales. 6.35 The Magician. 11.25 Sounding Brass.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.25 Miri Mawr. 4.35-4.50 Miri Mwy. 6.01-6.18 Y Dydd.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.18-6.35 Report West.

SCOTTISH

1.25 p.m. Road and Weather Report. 2.00 Housecall. 5.20 Babar. 5.25 Crossroads. 6.00 Scotland Today. 6.30 Chicago Teddybears. 11.00 Late Call. 11.05 The Odd Couple.

SOUTHERN

11.00 a.m. "Probe" starring Hugh O'Brian, Elke Sommer and John Gielgud. 12.30 p.m. Hammy Hamster's Adventures on the Riverbank. 1.20 Southern News. 2.00 Houseparty. 5.20 Betty Boop. 5.25 Crossroads. 6.00 Day by Day. 11.25 Southern News Extra. 11.35 Orson Welles Great Mysteries.

TYNE TEES

12.35 p.m. Starting Point. 1.20 Lunchtime News and Lookaround. 2.00 Women Only. 5.20 Wait Till Your Father Gets Home. 6.00 Today At Six. 11.25 Late News Extra. 11.35 Questions Jesus Asked.

ULSTER

1.20 p.m. Lunchtime. 4.23 Ulster News Headlines. 6.00 UTV Reports. 11.25 The UTV Profile.

WESTWARD

12.00 The Master Chefs. 12.15 p.m. Here Comes The Future. 12.30 Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 5.20 Circus. 6.00 Westward Diary. 11.25 Westward Late News. 11.28 Orson Welles Great Mysteries. 11.55 Faith for Life.

YORKSHIRE

1.20 p.m. Calendar News. 5.20 Calendar. 6.00 Calendar. 11.25 Ski-ing with Gina.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker, including 12.30 p.m. Newsbeat. 2.02 David Hamilton (S) (also on VHF). 5.00 Newsbeat. 5.15 Anne Nightingale reviews the latest sounds. 7.00-12.33 As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Simon Bates (S) including 6.15 Pause for Thought. 7.02 Terry Wogan (S) including 8.27 Racing Bulletin, 8.45 Pause for Thought. 9.02-11.30 Pete Murray's Open House (S) including 10.30 Waggoners' Walk. 11.30 Jimmy Young (S). 1.50 p.m. Sports Desk. 1.55 Good Listening (VHF). 2.02 David Hamilton (S) as Radio 1, but including on 1,500m only (also 202m Scotland) 2.45, 3.45 and 4.45 Sports Desk and Racing from Doncaster. 5.02 Waggoners' Walk. 5.17 Len Jackson (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Lucky 13: 7.30 Sports Desk. 7.32 How The West Was Sung (S). 8.02 Wally Whyton's Country Club (S). 10.02 Sports Desk. 10.05 Jean Challis with Music Through Midnight (S) and 12.00 News. 12.31 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

† Medium Wave only.

7.00 a.m. News. 7.05 Your Midweek Choice: Part 1 (S). 8.00 News. 8.05 Part 2 (S). 9.00 News. 9.05 This Week's Composer: Brahms (S). 9.45 Organ Music (S). 10.15 Schumann and Brahms Songs (S). 11.00 Edinburgh Festival—concert, part 1: Beethoven, Kenneth Leighton. 11.45 Festival Comment. 12.00 EF—concert, part 2: Brahms. 12.35 p.m. Masters of the Classical Guitar (S). 1.00 News. 1.05 BBC Welsh Symphony Orchestra (S). 2.25 Fauré (S). 3.20 New Records (S). 4.20 Bach, Schoenberg, Britten: Violin recital (S). 5.00 Choral Evensong. †5.45 Homeward Bound. †6.05 News. †6.10 Homeward Bound (continued). †6.30 Study on 3. 7.30 Proms—concert, part 1: Milhaud, Richard Rodney Bennett, Lambert (S). 8.30 The Arts Worldwide. 8.50 Proms—concert, part 2: Bartok, Weill (S). 9.50 Scientifically speaking. 10.40 Palestrina (1525-1594) (S). 11.25 News.

Radio 3 VHF only—6.00-7.00 a.m., 5.45-7.30 p.m. and 12.00-1.00 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF

6.20 a.m. News. 6.22 Farming Today. 6.40 Prayer For The Day. 6.45 Today, including 6.50 VHF Regional News. 6.55 Weather, programme news. 7.00 News and more of Today, including 7.27 Sportsdesk. 7.35 To-day's Papers. 7.45 Thought for the Day. 7.50 VHF Regional News. 7.55 Weather, programme news. 8.00 News and more of Today, including 8.27 Sportsdesk and 8.35 Today's Papers. 8.45 The High Window. 9.00 News. 9.05 The Living World. 9.35 Parents and Children. 10.00 News. 10.05 In Britain Now. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Round Britain Quiz. 11.30 Thirty-minute Theatre. 12.00 News. 12.02 p.m. You and Yours. 12.27 Forces' Chance. †12.55 Weather, programme news. VHF (except London and SE) Regional News. 1.00 The World At One. 1.30 The Archers. 1.45 Woman's Hour, including 2.00-2.02 News. 2.45 Listen With Mother. 3.00 News. 3.05 Afternoon Theatre. 4.00 News. 4.05 Songs Over The Land. 4.35 Story Time. 5.00 PM Reports. †5.50 Financial Report. VHF Regional News. 5.55 Weather, programme news. 6.15 Whatever Happened To The Likely Lads? (S). 6.45 The Archers. 7.00 News Desk. 7.30 It's Your Line. 8.30 All The Queen's Men. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.45 A Book At Bedtime. 11.00 The Financial World Tonight. 11.15 The Political Clans. 11.30 News.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.02 Downtown. 11.03 In Town. 12.03 p.m. Call In including 12.45 London News Desk. 2.03 206 Showcase. 4.03 Spinoff. 4.32 Home Run including London News Desk at 5.00 and 6.00. 7.00 In Town. 8.00 Quest. 8.30 Platform: The ILEA's schemes for Emanuel School: Air your views on 408 2033. 10.03 Robbie Vincent's Late Night London. 12.00 As Radio 2 until closedown.

London Broadcasting

261m and 97.3 VHF

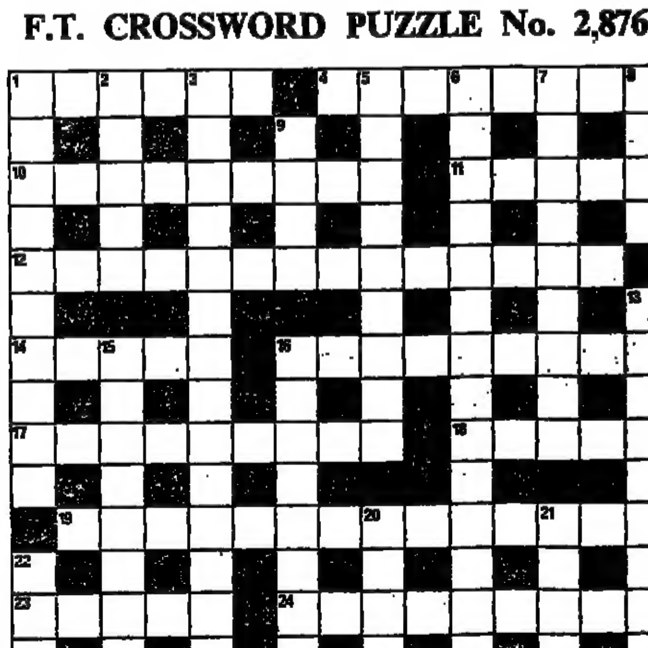
6.00 a.m. "AM": breakfast-time news show with interviews, traffic and travel service plus sport. 10.00 George Gale—talking to London. 12.00 Newswatch. 6.00 p.m. Newsbreak. 7.30 Music in Stereo—devised by Andrew Carnegie. 9.00 Love in London. 1.00-5.30 a.m. Nightwatch—news every half-hour.

Capital Radio

194m and 95.8 VHF

6.30 a.m. The Breakfast Show. 9.00 Michael Aspel presents music, guests, competitions and "Swapshop." 12.00 Cash on Delivery. 3.00 Roger Scott. 7.00 London To-day. 7.30 Open Line. 9.00 Your Mother Wouldn't Like It: Nicky Horne's rock show. 11.00 Tony Myatt and his late night show. 2.00 a.m. Night Flight.

F.T. CROSSWORD PUZZLE No. 2,876



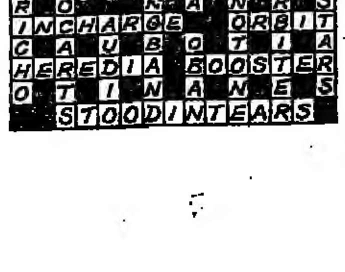
ACROSS

1 Step this way to pass through wood (6)
4 Squander with young lady and be uncertain (8)
10 Communist and German worker become superfluous (9)
11 Confined to a place, and look at the state (5)
12 Report personally and pay respects with a gift to a single personality (7, 7)
14 Aztec later may give applause (5)
16 Where the cost is shown for soft cereal going to the border (5, 4)
17 South has not lost but is tanned (9)
18 Tingled endlessly creating a fire (5)
19 Well behaved and without payment but is worthless (4, 3, 7)
23 Empty the channel (5)
24 Tobacco cake—sell one in cash (9)
25 Beverage made from early 'erb (3-5)
26 Bachelor taken in and thrashed (6)

DOWN

1 Take the paint off kid seen in night-club (5-5)
2 Travel round head of gorge or narrow crest (5)
3 Wait assiduously on the number at the ball (5, 10)
5 Purpose in X turning it upside down and adding on (9)
6 Unwillingness to buy ugly sister a cane less (5, 10)
7 Surpassing former den in capital of Greece (9)
8 Being matt . . . (4)
9 . . . and dull (4)
13 Intensify and increase to toughen (10)
15 Striated course round the dead (9)
16 British type of Panda (6, 3)
20 Vehicle turning up before Eastern part of church (4)
21 Being a fool I'd one to come up . . . (5)
22 . . . and I'd oriental article in thought (4)

SOLUTION TO PUZZLE No. 2,875



ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. 01-836 3161. ENGLISH NATIONAL OPERA. Tonight and Tues. 7.30 Madam Butterfly. Tomor. and Sat. 7.30 La Belle Helene. Fri. 7 Der Rosenkavalier.

THEATRES

HER MAJESTY'S. 930 6606. Evgs. 8.0. Fri. and Sat. 6.0 and 8.40. HAIR. MUST END SEPTEMBER 27

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30, 9.30

THEATRES

VAUDEVILLE. 836 9988. Evgs. 8.00. Mat. Tu. 3.0. Sat. 5. MILLICENT MARTIN AMANDA in ALAN AYCKBOURN ABSURD PERSON SINGULAR. Best Comedy of Year, E. Std. A.

ART GALLERIES

هكذا من الأصل

Television

Spread it around

by CHRIS DUNKLEY

It would be an enlightening if uncomfortable experience to climb inside the mind of one of the men responsible for arranging television schedules and discover what they really think of "the viewing public," what they really think of television itself, and what they really think of one another. Of course schedules are not, and should not be, arranged for the benefit of television critics, but one might have expected them to be arranged for the benefit of the general public. Yet apparently they are not.

Three weeks ago there was very little that was worth watching on any of the three channels, other than cricket in the daytime. Then a fortnight ago the BBC started its autumn season; last week the new ITV season got under way; and now the difficulty for the ordinary viewer (lacking access to critics' previews) is to decide what to choose from all the riches so suddenly and so competitively put on offer.

In the seven days from the first of the month, I watched 45 programmes, excluding news bulletins. Of these, eight were the initial episodes of completely new series. Ten were the initial episodes of returning series (Thames's *Man About The House* for instance, and BBC1's *Liver Birds*). Seven were one-off programmes, all documentaries of one sort or another. The remaining 20 included current affairs programmes, quite a lot of second episodes in series new this season, and a small number of episodes from established series—*A Taste Of Britain* on BBC2, for example, which comes to the end of a short run tonight. If you have seen none of the others, try to watch the last one. In an age of increasing blandness and uniformity these programmes of Derek Cooper's celebrate strength of flavour and idiosyncrasy—in the culinary and the human world.

The point to be made about those 45 programmes is that for the ordinary viewer practically every one of them was worth watching for one reason or another: out of curiosity because the series was new; because a high quality was established in previous series—as with *Dad's Army*, back on BBC1, or Thames's *The Sweeney* returning to ITV—or simply because the subject matter looked interesting, as with most of the documentaries. Yet you would have had to watch practically all night every night—dinner on knees like a television critic—to catch the full 45, and after months of the summer with nothing but old movies, repeats and old faithfuls that is ludicrous.

It is high time the BBC and ITV started spreading out their goodies more evenly through the year. Meanwhile, for those unable (and probably unwilling) to sample all the new series starting in the past week here is a quick guide.

Elaine Stritch in 'Two's Company' (London Weekend)

Funniest programme of the week (and challenging BBC1's *I Didn't Know You Cared* for the title Funniest Of The Season) is *Two's Company* from London Weekend on Sunday. In episode one Donald Sinden, English butler to end all English butlers, played hard to get but eventually allowed himself to be hired by Elaine Stritch, very American authoress. The subtleties of the employer/servant relationship are hardly new to comedy: Terry Thomas even played English butler to American writer years ago. Yet the utter mastery of Sinden and Stritch—mastery of timing, of tone, of facial reaction—is quite unsurpassed. It is no insult to writer Bill McIlwraith or producer/director Stuart Allen to say that the series is made by the extraordinary professional ability of Sinden and Stritch to construct entire comic edifices in a matter of seconds, using astonishingly little material as a foundation.

It is London Weekend again which has come up with the season's most interesting idea in funny programmes: *A Joke's A Joke*. Influenced (presumably) by *The Comedians*, David Bell has been pointing his camera at members of the general public to see if they can tell a joke. The first episode on Saturday suggested that a lot of them can, and with no signs of shyness, nervousness, or even hesitation. Soldiers, workers on a production line, drinkers outside a pub told a string of jokes with no compere to get in the way, and in half an hour they told only two that I had heard before.

The natural life of the series must be short; it would self-destruct after a few months if Bell went on, because all his potential subjects would be telling jokes they had heard in earlier programmes. At present, however, it is highly successful—and the genuine bonhomie of these joke retailers is delightful after the gratingly false variety from so many stand-up professionals.

LWT's other new Saturday programme—*Supersonic*—which is supposed to be the greatest thing to hit the world of pop music since Elvis Presley, looked to me quite indistinguishable from all its predecessors, but then I did miss most of it. I have great difficulty in remembering to tune in to anything at 11 o'clock on a Saturday morning.

The two other comedy series which started last week are both about policemen. It is hardly surprising, perhaps, that George Layton and Jonathan Lynn at Granada with *My Brother's Keeper*, and Roy Clarke on BBC 1 with *The Growing Pains of P.c. Penrose*, should have come up with funny coppers in the same week. After all, television is for ever serving up the unfunny varieties, ranging from Dixon to Kojak, and long before the birth of television policemen had a very good thoroughbred in the comedy line stretching back through the Keystone Cops to Dogberry in *Much Ado*.

None of this new collection on television is likely to leave you grasping your sides in hysterical laughter, but there was, nevertheless, easily detected potential in the first episodes. In *Penrose* I suspect that the best laughs are going to come from a style of dialogue writing which delights in odd juxtapositions and right-angle turns. "You'll soon get used to our rough way," Sgt. Flagg says amiably to Penrose, "and if you don't I'll have to stuff fertiliser in your helmet." Then later, describing the rookie's landlady: "It seems a pity to me that a woman of her undoubted good nature should have such small breasts." Coming from Bryan Pringle's mouth it has a greater element of surprise than it can be given in print.

My Brother's Keeper is situation rather than verbal comedy, actor/writers Layton and Lynn having dreamed themselves up a pair of leading roles which start off with the attractively ghastly situation of a young policeman burdened with a twin brother who is a layabout anarchist student. The trouble is that having created the situation the writers have relied too heavily on it to compensate for a slapdash script. "My dad was in the army, he died during the Korean war"—"In Korea?"—"No in Manchester" just isn't good enough, and even the most ignorant anarchist would never render Proudhon's "La propriété c'est le vol" as "Leo Tolstoy says all property is theft." It is just possible that Layton and Lynn's faith in the strength of the situation may turn out to be justified. They will have to use it very inventively though, to overcome dialogue as weak as this.

For a fair assessment of BBC 1's *Angels* on Mondays and Granada's *The Stars Look Down* on Thursdays, more time is needed. *Angels* is the story of six modern young nurses, though it looked almost like a Victorian temperance fable during the first 20 minutes as the action cut sententiously back and forth between the Irish girl's humble cottage and the Bristol girl's aristocratic pile. Later, however, in scenes on the ward it did capture—briefly, but with wicked accuracy—that peculiar mixture of condescension and camaraderie which marks the attitude of so many nurses to their patients.

The Stars Look Down is by *Sam out of West Riding*. It is flat cap and white choker time again, and although it looks like a 50-minute advertisement for Hovis shot by Ridley Scott, Mum (Avril Elgar in a neatly understated performance) says that starvation's no joke. If my reaction is cynical it is not because A. J. Cronin's story lacks significance, but because this sort of cri de coeur is becoming too familiar on television, and is always notable for being historical and fictional. I suspect this series will, nevertheless, turn out to be very good of its sort.

If *only* it could have been broadcast in July and August instead of competing—as it does from to-morrow night—with what promises to be a very important BBC series from Tony Garnett and Ken Loach, *Days of Hope*.

Anthony Crickmay

Diana Rigg and David Yelland in the National Theatre's production of Tony Harrison's 'Phaedra Britannica' (adapted from Racine) which opened last night at the Old Vic

Radio 3

BBC Symphony Orchestra

by DOMINIC GILL

The BBC Symphony Orchestra under Norman Del Mar began its Prom on Monday with one of the earliest of Brahms's orchestral masterpieces, the second Serenade in A major—that beautiful essay in muted autumn tones, deceptively tricky to negotiate, scored without violins for violas, cellos, basses and double woodwind alone. An agreeable performance, that neither soared to any great flights of fancy, nor went significantly astray: a nice light-textured, buoyant first movement; a careful, warm-hearted account of the lovely adagio; and a finale, whose argument reaches real symphonic heights, well sustained.

The chamber group were swelled next by contrast with full-orchestral strings, triple woodwind, quadruple brass and large percussion for Lutoslawski's Concerto for orchestra—the last work, finished in 1954, of the composer's "traditional" period, before he broke away to explore (and in 1961, with *Jeux vénitiens*, to establish) the new techniques of "aleatoric counterpoint" for which he is best known. It reflects in particular, in grand style, the attention Lutoslawski came to pay after the war, encouraged by commissions from the State Music Publishing Company, to Polish folk music: colourful, imaginative orchestral settings, with a strong Bartokian leaning, effective rather than affecting. To say that the Concerto has the air of "highly qualified *Gebrauchsmusik*" is perhaps not unfair—whichever sense of "qualified" the author of the phrase may have intended. It may not last particularly well through successive hearings: but it has its place in the popular repertoire—and Del Mar did it good justice, with a reading that was both strong and clear, but never heavy-handed.

After the interval, Stephen Bishop-Kovacevich (as he now calls himself) was the soloist in a capable, not very stirring account of Beethoven's Emperor concerto. Not the same kind of playing indeed with which Bishop once electrified the same hall at the start of his career; more hesitant, reflective, whimsical even in its "expressive" play of rhythms, too indulgent for my taste in the *piano e dolce* music, and in one or two places with a hint of routine to its shaping and attack. Nervous too: some detail was smoothed over or lost—that special, magical effect, for example, in the last eight bars of the cadenza, where the right hand plays staccato, but the left plays light legato quavers, was indecisive. But at its best, it was broad and thoughtful, and in the adagio, in the less exalted bars, not without charm.

Maximus Discotheque

A Curate's Egg

by MICHAEL COVENEY

Not even good in parts, Patrick Williams's over-long lunchtime play is the sort of pickle into which fringe theatre plunges itself when the ideas have run out. Here we have a dentist's waiting room where two superciliously conspiratorial patients bait the latest arrival (a feckless vicar) before involving him in their feebly contrived charade of menace and retribution.

Old copies of Punch litter the table and the two seemingly resident invalids soon reveal themselves to be none other than Mr. Punch himself and his coarse, much-abused lady wife. The vicar's name is Tobias, so he can easily assume the role of Toby the dog and, in addition, that of fall-guy to the frustrated axe-man, Death. A small amount of token reference is made to the exercise of the pleasure/pain principle, but the little creative energy of the piece is blown on revving up a few tiresomely farcical confrontations between the puppet-like extensions of the characters' inner selves. These also involve a ponderous policeman and a cuddly red devil.

Julian Glover has directed with, it seems to me, unjustifiable enthusiasm, and there is no denying the vim and vigour of Joe Melia's performance as Mr. Punch: very fast, occasionally funny, and totally committed. So it should be. But even Mr. Melia cannot make a desirable purse out of this sow's ear, and no amount of professional competence can make up the deficiencies of the script.

Chamber concerts on the high seas

A series of chamber concerts and a number of song recitals are among the New Year fare Thomson Cruises are offering from January 1 to 14, 1976. The Gabrieli String Quartet, Bálint Vázsonyi (piano), Susan Milan (flute), Benjamin Luxon (baritone), Jill Nott-Bower (soprano), and Robert Spencer (tenor, flute and guitar) will be featured in five concerts during evenings at sea on the 14-day cruise on board the SS Ithaca which will be sailing along the African coast calling at Dakar, Madeira and the Canary Islands.

Tickets for this cruise can be obtained from travel agents, or from Thomson Cruises (01-388 0681). A special brochure is being distributed at record shops and at various classical concerts.

Prices begin at £159, depending on cabin type and deck.

Musée Cantini, Marseilles

Inspiration from the East

by MICHAEL PEPPIATT

Leon Belly 'Pelerins allant a la Mecque'

The most original exhibition in France this summer is very probably the Musée Cantini's "L'Orient en question, 1825-1875." By means of letters, travel accounts, photographs and, above all, sketches and paintings, it sets out to illustrate the extent to which the "Orient" (which here means the Levant, Egypt, and the Mahgreb) influenced the art and literature of 19th-century France. The theme is an extremely rich one, and of course intimately linked to Marseilles, France's traditional "gateway to the East."

For many travellers Marseilles itself, with its brilliant sunlight and swarming, multinational port, offered the beginnings of the exoticism that the 19th-century imagination craved so deeply. "The warm air moving along the dark streets, between the tall buildings, of Marseilles," Flaubert recounts in *Voyage en Orient*, "brought an oriental languor to my heart, and the large paving-stones of the Canebière, warming the soles of my light shoes, made me quicken my pace at the idea of the burning sands where I should have liked to be walking." Flaubert left on his voyage to the East in 1849; Gérard de Nerval had preceded him by several years, while Théophile Gautier embarked on a determined search for new sensations in 1853.

The voyage could hardly have failed to leave a deep imprint, particularly on those restless imaginations which had come to dread the Normandy damp or the stifling atmosphere of bourgeois salons. But it was on Delacroix that it had the most fruitful effect. His interest in the East had been stimulated by Byron's poetry and by the example of his death (in 1824). The young artist's eloquent *La Grèce sur les ruines de Missolonghi* and an oil sketch for *La mort de Sadarnapale*, both of 1826, are among the highlights of the exhibition. Delacroix's chance to see the highly-coloured Orient at first hand eventually came by getting himself accepted on Comte Charles de Mornay's mission to establish relations with the Sultan of Morocco in 1832.

An entire room at the Musée Cantini has been given over to Delacroix's works on oriental themes. There are a number of delightful wash drawings and watercolours, notably an *Arabe allongé sur une natte*, a study for a *Femme juive*, and an opulent little *Caïd étendu sur un sofa*. The major piece is the famous *Femmes d'Alger dans leur intérieur* of 1849 (lent for part of the exhibition's duration by the Musée Fabre, Montpellier) and several preparatory studies for this masterpiece of lustrous reds, greens and golds.

Although Delacroix's talent makes him the hero of this exhibition, its aim is above all to show how widespread this fascination with the East became among painters of the time. Some 35 artists, working between 1825 and 1875 are represented by their "orientalist" works. Fromentin, for instance, captures both the dramatic and the static aspects of Arab life, from *Le repos des chameaux* and *Halte de cavaliers* to the swirling *Attaque d'une caravane*. Fromentin made four trips to the East, Jean-Léon Gérome (represented by a strikingly desolate and very meticulous *Vue de la plaine de Thèbes*) no less than six, while Constantin Guys found employment there as a correspondent for the *Illustrated London News* (his evocative wash drawing shown here, *Femme turque au parasol*, was given by Baudelaire to his mother).

Ingres is one of the few artists on view not to have undertaken this often perilous journey; purely imaginative, and basically a pretext for linear voluptuousness, his *Odalisque à l'esclave* drawing still has great charm. Topographical recording—pencil and brush used for what the photograph was to accomplish with ever-greater efficiency—seems to have been the main preoccupation of a number of artists: Adrien Dauzats brought back some firmly factual landscapes and buildings, while Narcisse Berchère was commissioned to depict, stage by stage, the progress of the new Suez Canal.

Having begun with Missolonghi, the exhibition ends with the Suez Canal, taken as a symbol of the profound change in relations between France and the countries of the southern Mediterranean. Its major achievement is perhaps to have re-created the atmosphere of shimmering mystery that the East evoked for French poets and painters, both at home and often no less when they actually spent time there. A handful of photographs (including one of Flaubert in oriental garb, taken by his travelling companion, Maxime du Camp) and an "Orientalist painter's studio"—a splendid collection of rugs, vessels, fly whisks, musical instruments and arms—have also been included. They complete this anthology of an unexpectedly far-reaching and fruitful period of enthusiasm, in which the chafing nineteenth-century imagination found whole new countries to travel through unimpeded.

Edinburgh Festival

Fringe for fun

by B. A. YOUNG

This is not a vintage year for university revue. Bristol, from their handily-located house opposite the Lyceum, offers a series of mostly short blackout sketches without the overall theme that has given some of their previous revues an ingenious homogeneity. Oxford has a theme (the company is alleged to be replacing the deceased Mazzini troupe of acrobats), but it is more talked about than embodied. Much of what they do seems to me a parody of other kinds of entertainment, so that I never quite appreciated the true talents of what is evidently a fresh, bright company. Almost all their material is written by their director, Geoffrey Perkins.

The Footlights, aware of their important past, time their show for 8 p.m. or 10.15 p.m., thus making it dually difficult of access for reporters whose principal brief is to see and write about the official items in the Festival programme. In their place I saw another Cambridge team, the Automatic Punchline Company, who are alternating two shows. *Despo '75* was the one I saw. A continuing theme again, yes; Napoleon is back again. But the sketches are notable more for enthusiasm than skill, and oddly enough it's the punchlines that seem to me the weakest part. Too automatic, perhaps.

Let none of these companies turn a hair. All of them, when I saw them, were attended by packed and enthusiastic audiences.

Much the best of the funnies that I saw was Instant Sunshine, four young men in dinner-jackets, even at 12.40 p.m. Old-fashioned, you may say. Well, they have an old-fashioned attitude to lyric-writing, their lyrics being as finished as good comic verse. They have an old-fashioned attitude to music, theirs being free of any of the current influences but as tuneful as, say, Leslie Stuart or Fraser-Simson. Their delivery is without any kind of flamboyance; the numbers are allowed to rely purely on their merits and not boosted by gimmicky personalities. Instant Sunshine also had a full and appreciative house.

WORLD TRADE NEWS

GDR denies W. German dumping charge

By Leslie Colitt

BERLIN, Sept. 9.

EAST GERMANY has angrily denied a West German assertion that it is dumping textiles on the West German market at prices as low as 65 pfennigs for a man's shirt and DM7 for a leisure suit.

The allegation was made last week at the Leipzig Fair by West Germany's visiting State Secretary Herr Detlev Karsten Rohwedder, of the Bonn Economics Ministry. At a briefing for Western journalists the Bonn official said West German retailers were lodging protests with the Economics Ministry and demanding counter-measures.

Radio and TV in West Germany, which can be received throughout the German Democratic Republic, carried the report from Leipzig which incensed GDR officials. It means that they would have to ward off questions from their own population on the cheap exports. The main GDR Communist Party newspaper, Neues Deutschland, to-day carried a sharply worded reply by the domestic news agency.

The article said the GDR had long attempted to eliminate the one-way street in trade with West Germany. This is a reference to the considerable deficit run up by the GDR in inter-German trade and the GDR's efforts in recent months to reduce it by a major export drive. If it could not do this the agency said that the *GDR* would have to limit sharply its imports of West German goods which "secure the jobs of many West German workers."

Norway's East Europe exports rise sharply

By Fay Gjester

OSLO, Sept. 9

NORWAY'S exports to East Europe have risen steeply this year. During January-June they were worth Kr.608m., 44.4 per cent. up on the same period of 1974. The rise has come at a time when Norwegian exports to most other markets have been falling, and is expected to be maintained through the rest of this year, according to the Minister of Trade, Mr. E Magnussen.

Increased trade with East Europe was a welcome development which could represent a stabilising factor in Norway's economy, he said. In the first half of 1975 exports to East Europe had accounted for 4.2 per cent. of total Norwegian exports, by value.

Imports from the East European countries in January-June were worth Kr.527m., only 4.6 per cent. up on the same period last year.

Hong Kong gives mass transit plan go-ahead

BY MARY CAMPBELL

THE HONG KONG Government yesterday gave its formal go-ahead for a modified initial version of the mass transit underground railway system. The overall cost of the project is expected to be HK$5.8bn. (about $US1.2bn.).

The establishment of the Mass Transit Railway Corporation to take over responsibility for the project from the provisional authority is expected soon, as is *legislative approval for* the Government guarantees for the necessary borrowings.

In an official statement, the Hong Kong Government said that the recommendation for a modified initial version of the system by the Mass Transit Railway Provisional Authority which it has now accepted was based on three factors: the results of tenders from four representative civil engineering contractors which indicate an overall construction cost of $HK5bn. (the other $HK800m. is for land and all other costs); export credit offers and other financial financing proposals; and revenue forecasts based on further research into Hong Kong's future transport requirements.

The modified initial system will run some 15.6 kilometres. The project is expected to be complete by 1980.

Revenue is expected to be sufficient to cover al lexpenditure (including interest and capital repayments) within 11 or 12 years from when the railway starts operating, that is by 1991-92. The financing will include a $HK800m. (about $U.S.160m.) contribution from *the Hong Kong Government and* a $U.S.400m. medium-term Euro-market loan which is currently in limited syndication. Export credits will be a major source of funds.

So far as is known, no tenders for work on the project have yet been accepted. They have come from Japanese, British, French and German companies among others.

In fact the situation on public announcement of contracts for the work appears to be somewhat delicate, because of the breakdown of earlier plans involving a Japanese consortium. Last January, this consortium withdrew from negotiations on the project despite having signed a letter of intent.

Khashoggi warns on Mideast commissions

NEW YORK, Sept. 9.

U.S. companies risk losing huge sales in the Middle East unless the U.S. Government dispels the current uncertainty over payments to sales agents abroad, Mr. Adnan Khashoggi, the controversial Saudi Arabian businessman, predicts.

Recent disclosures of large payments to foreign sales agents, as well as under-the-table payments to government officials, have made U.S. concerns wary of dealing with sales and marketing representatives overseas, Mr. Khashoggi said in an interview in New York.

"They are nervous—all American firms—even to talk to agents," following U.S. government-generated revelations by such companies as Lockheed Aircraft, *Northrop and Ashland Oil of* various payments made to obtain business abroad, he said. "If representatives can't sell American products, they'll sell someone else's," to oil-rich Mideast governments, he added.

Mr. Khashoggi, perhaps the Arab world's most prominent sales agent, stands in the middle of one dispute involving sales commissions of about $54m. on more than $1bn. in contracts awarded to Northrop to upgrade the Saudi Arabian Air Force. Depending on the resolution of the dispute, which involves himself, the U.S. Defence Department, the Saudi Government and Northrop, Mr. Khashoggi could lose some or all of the commissions.

The controversy has been complicated by Northrop assertions that Khashoggi funnelled $450,000 in bribes to two Saudi Arabian generals. Khashoggi denies that he bribed the generals or anyone else. Northrop insisted on bribing the generals, he claims, so "I took the money and that's the end of it." Asked why he pocketed the $450,000 he replied: "I just penalised" Northrop for wanting to bribe the Saudi generals.

In Mr. Khashoggi's opinion, the U.S. Government and news media have failed to make an important distinction between the payment of legitimate agents' fees and commissions and illegal bribes. There has been a "mixing up of the legitimate and the illegitimate," he said.

This confusion has followed cases brought by the Securities and Exchange Commission (SEC). In April, the agency charged that Northrop violated financial-reporting regulations by failing to keep track of about $30m. in payments to overseas consultants and others.

AP-DJ

U.S. lifts ban on aid to India

By K. K. Sharma

NEW DELHI, Sept. 9.

THE U.S. has decided to resume economic assistance to India from this year, Finance Minister Mr. Subramaniam announced here to-day on his return from Washington. Aid to India was *suspended by President Nixon* when war broke out with Pakistan over Bangladesh in December 1971.

Since then the U.S. has not given any aid except for rescheduling certain debts falling due in the past two years. At the last meeting of the Aid India consortium of western countries and Japan in Paris in June, the U.S. gave no pledges but agreed to join in the consortium's debt relief programme.

The decision to resume aid is significant and is expected by the Indian government to lead to an improvement in relations between the two countries which have remained sour since Nixon's "tilt" towards Pakistan in the 1971 war.

Cyprus trade gap shrinks

By Our Own Correspondent

NICOSIA, Sept. 9.

CYPRUS' trade gap narrowed by more than 61 per cent. during the first half of this year as imports declined abruptly in the wake of last year's war. An official government report shows *that the trade deficit of* Cyprus £70.6m. during the first six months of 1974 shrank to a mere C£27.1m. as imports were cut by half from C£107.5m. to just over £C54m.

Exports during the same period also declined but by only 26.4 per cent., from C£36.9m. to C£27.1m. The U.K. was by far the island's biggest trading partner last June during which exports consisted mainly of potatoes, minerals, clothing and wines.

Big Iran orders for Brown Boveri

Financial Times Reporter

BROWN Boveri, the electrical engineering concern, has won orders for plant and equipment for the Iran electricity system worth a total of £125m. The Mannheim branch of the company has won a £101m. share of a £278m. contract awarded to a consortium of Swiss and German companies to build a gas and oil-fired power station on the Caspian Sea.

It has also won a £13.4m. gas turbine, transformer and switching station contract. Brown Boveri of Baden, Switzerland, has been awarded a £11.4m. contract for supplying 21 electricity substations.

AMERICAN NEWS

UN now close to decisive breakthrough on economy

BY MALCOLM RUTHERFORD

NEW YORK, Sept. 9.

THE UNITED Nations special session is on the verge of a decisive breakthrough in the search for a new international economic order, following the submission of a new working paper by the United States.

The paper is considerably more radical than Dr. Henry Kissinger's speech to the session last week, which was itself seen as a major turning point in U.S. policy towards the Third World. It is also more notably in tune with Third World thinking than *the working paper already submitted* by the European Community.

For negotiating purposes, even more important than the content of the new U.S. proposals is the form in which they have been presented. The working paper is designed as a draft resolution to the UN General Assembly which, allowing for negotiated amendments, could be adopted by the end of the special session on September 12, or possibly a day or two later if the session continues through the week-end.

One of the most notable changes in the new paper is in the U.S. attitude towards indexation, hitherto one of the main sticking points in the conference. The paper comes close to adopting the language of the *group of 77 developing countries* when it calls for "a co-ordinated approach to insulating the economies of developing countries from the adverse effects of economic disorders in developed countries," and again, a little later, when it calls specifically for "arrangements to insulate them from the adverse effects of inflation."

Indexation, or tying the price of Third World commodity exports to the price of their manufactured imports, is not mentioned by name, but there can be no doubt from the language used that this is the breakthrough that the Third World has been looking for.

The paper also accepts the principle of "automatic mechanisms" for the transfer of real resources from the rich to the poor countries. It appears to endorse tying the creation of new Special Drawing Rights (SDRs) to development assistance and, in a notable innovation in U.S. policy, calls for the early consideration of "other measures of automatic transfer, such as *royalties from ocean-bed mining.*"

All the original proposals in the Kissinger speech—such as the new special development security facility in the IMF, a major capital increase for the World Bank's International Finance Corporation (IFC) and the establishment of a consumer-producer forum for every major commodity—are *there as well.*

Our Foreign Staff adds: The basic inhibitions preventing dialogue between the developed and the developing world had been broken down in the last year, the Foreign Secretary, Mr. James Callaghan, told the International Parliamentary Union conference *yesterday*. There was now a great desire to understand what the group of 77 developing countries and the developed countries were doing to meet each other's demands, he said.

Sohio postpones share sale

By Jay Palmer

NEW YORK, Sept. 9.

THE STANDARD Oil Company of Ohio (Sohio) this morning postponed to-day's planned sale of 2m. new Ordinary shares until later this week or early next week. This equity share offering, the first of any U.S. oil com*pany for some years*, would have raised Sohio about $147.25m. at current market prices with about 54 per cent. of the new shares being purchased by British Petroleum to increase its stake to over 26 per cent.

Although the offering has never directly tied to Sohio's development of the Alaskan north slope oil field, the company said that the posponement was to allow the stock market to assess the news that weather-conditions continue to delay the sea-shipment of materials to Alaska. Sohio officials have always privately confirmed that the new funds were to finance North Slope operations.

The company explained that the seasonal gap in the coastal ice sheet, created by off-shore winds, had not lasted long enough to allow all its barges to get through. Sohio said that 37 of its planned 47 barge deliveries were now unlikely to make the run before next July's thaw and that, while some general cargo could and would be shipped overland, the contents of at least 18 barges were far too large to travel by other means and ice-breakers could not be used to clear a lane because of the very large beam of the barges.

However the company stressed that the delay in schedule, if indeed it happened at all, would not hit its mid-1977 target of 600,000 barrels a day but rather its late-1977 target of 1.2m. barrels a day.

The earlier target, the company said, had been planned assuming a certain *amount of leeway* and slippage while slightly replanned work schedules would be able to continue between now and next summer's deliveries. The problem would come late next year when construction originally planned for this spring would have to be done at the ex*pense of other planned work*. The company stressed again and again that it was still not certain that there would have to be any delay and that, in any case, it would make every effort to keep to schedule.

Ford veto on oil control

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Sept. 9.

PRESIDENT FORD to-day vetoed a six-month extension of America's price controls on domestic oil, which officially *expired at the end of last month.*

To-morrow, Democrats in Congress will make a determined attempt to override his veto, but the chances are fading of their raising the necessary two-thirds majority to re-impose controls.

If they fail, the President promised to-day that he would accept a shorter 45-day extension of the controls to give Administration and Congress time to work out a compromise bill that would phase out controls over a number of years.

It is an offer the President has made before—and one on which the Congress has been unable so far to agree. But, if to-day's veto is sustained, the chances will look better for some meeting of minds on this most controversial of energy problems.

The Administration believes that the price controls are impairing domestic production, increasing the country's dependence on energy from the OPEC cartel and weakening the Administration's position in dealing with its members.

N-contracts threatened

BY GUY DE JONQUIERES

NEW YORK, Sept. 9.

WESTINGHOUSE Electric, the largest U.S. manufacturer of commercial nuclear power plants, has announced plans to break long-term uranium supply contracts with about 20 of its public utility customers because of sharp increases in the price of the fuel.

The company said that it believes that it is "legally excused" from its commitment to supply these customers after 1978. It added that it proposes to offer them an allocation plan which, it said, should provide a satisfactory solution.

The utilities affected, some of which have long-term uranium supply contracts with the company running into the 1980s and beyond, have been invited to discuss the proposals with Westinghouse over the next three weeks. One of the utilities, Virginia Electric and Power, raised strong objections to the Westinghouse action to-day. The company, which has contracts calling for the delivery of 12m. lbs of uranium until 1980, said that it will take "all appropriate steps" to force Westinghouse to fulfil its commitments.

Westinghouse's unilateral initiative poses a threat of creating *further disruptions in the utility* industry, which has already suffered from mounting cost pressures and environmental objections to new construction projects during the past few years.

Westinghouse said that it intends to perform its contract obligations as far as possible, *but added that the purchase of* uranium on the market at current prices would involve such a large burden as to be "commercially impracticable from a legal viewpoint."

The company said that uranium prices have tripled recently to $24 per pound from about $8 per pound two years ago, largely as a result of the steep rise in world oil prices. It said that an independent legal and economic study which it had commissioned concluded that Westinghouse could not reasonably have been expected to foresee this price increase.

The company has declined to reveal the dollar value of the contracts affected by its decision. It said that if the plan goes through it is not expected to have any significant impact on Westinghouse's future profitability.

SUBSIDY SOUGHT FOR U.S. POST

By Jay Palmer

NEW YORK, Sept. 9.

THE financially troubled U.S. postal service intends to ask Congress to double its annual subsidy to about $1.84bn. The Postmaster-General, Benjamin Bailar, speaking at a convention of major mail users, said that such a "temporary, two- or three-year increase in the subsidy" is essential to offset inflation and make up for the recent long delays in getting postal rate increases.

At the same time, Mr. Bailar said that the postal service, which currently gets total subsidies of about $920m. a year *for serving otherwise uneconomic* rural communities, would introduce tough measures to increase its own internal efficiency and *formally* ask Congress for permission to close down some small post offices.

Chilean GNP fall of 5-10% predicted

By Hugh O'Shaughnessy

SANTIAGO, Sept. [illegible]

THE CHILEAN GNP could [illegible] by up to 5 per cent. this [illegible] said Sr. Miguel Kast, [illegible] director of Odeplan, [illegible] national planning [illegible] yesterday. According [illegible] latest Central Bank stati[illegible] unemployment in greater [illegible]tiago reached 14.8 per [illegible] with unemployment in the [illegible]dustrial sector reaching [illegible] cent.

These figures are [illegible]tradicted as being too [illegible]mistic by a number [illegible] *non-Government sources*. [illegible] the current number of [illegible]y Espiritu, the Chris[illegible] Democratic organ, predic[illegible] fall in GNP of around [illegible] per cent. and a fall in wages and salaries of [illegible] cent. this year compared [illegible] 1970.

"Inflation has continued [illegible] hit us persistently and [illegible] measures taken to combat [illegible] catastrophe has brought [illegible] the recession with all its [illegible]sequences, which [illegible] seriously into question [illegible] moral legitimacy of [illegible] which creates so [illegible] damage," says an editori[illegible] the influential Jesuit [illegible] Mensaje, commenting on [illegible] second anniversary of [illegible] Chilean military Governm[illegible]

Argentina ban on Montoneros

BUENOS AIRES, Sept. [illegible]

THE ARGENTINE Go[illegible]ment has formally out[illegible] the left-wing Peronist [illegible]toneros guerrillas [illegible] announced a year ago [illegible] they were going underg[illegible] to fight the Governmen[illegible] President Maria Estela [illegible]

The Montoneros, who [illegible] themselves true support[illegible] the late President Juan [illegible] said his widow and suc[illegible] had betrayed his polic[illegible] swinging too far to the [illegible]

In the past year, they [illegible] carried out several kidna[illegible] and attacks on security [illegible] collecting a record [illegible] ransom for releasing [illegible]tives Juan and Jorge [illegible] held for nine months.

IBM produc[illegible] minicompute[illegible]

By Christopher Lorenz

INTERNATIONAL Bu[illegible] Machines yesterday annou[illegible] its entry into the marke[illegible] portable (or "desk top") [illegible]puters. The launch in At[illegible] Georgia, came only [illegible] months after IBM broug[illegible] smallest-ever commercial [illegible]puter, the System 32, on [illegible] market.

The new machine, desi[illegible] the 5100, takes IBM further down the [illegible] computer size, and effe[illegible] into the "minicompu[illegible] market. It adds another [illegible] to the group's fast-g[illegible] platform in the most exp[illegible] sector of the world com[illegible] market, the mini and [illegible] machines which are [illegible] more interest than the [illegible] and large-sized installatio[illegible] which IBM has traditi[illegible] specialised.

For the first time wit[illegible] 5100, IBM will not be [illegible] a computer on rental, [illegible] market at which it [illegible] has already developed a [illegible]chase business.

CRIME IN THE U.S.

Ford and victims' rights

BY NANCY DUNNE IN WASHINGTON

PRESIDENT FORD'S skill at neatly negotiating his way through politically troubled waters was aptly demonstrated in his recent presentation of a message to the Congress about crime.

FBI statistics showing that serious crime was up by 18 per cent. in the first quarter compared with January-March 1974, after an annual rise of 17 per cent. last year, put the President into a difficult position. He inherited his job from a "law and order" administration which not only collapsed in lawlessness but had *also* spent $3.2bn. in *four years in a futile attempt* to "win the war on crime."

While the President's advisers concluded that the Nixon Administration had erred in promising too much, they were faced with expectations in Congress and among voters that the President would "do something." A recent Gallup Poll showed that urban voters consider crime to be the main domestic issue," ahead even of unemployment.

However, the men around the President had pretty well concluded that the Federal Government could do little to contain the monster of crime. Most of the lawlessness accounted for by FBI statistics is in violation of State laws—murder, assault, robbery and the like—while Federal laws generally deal with interstate offences like kidnapping, hijacking, racketeering or the robbing of banks insured by the Federal Deposit Insurance Corporation. While State *crime has skyrocketed, Federal* crime has increased far less. Only 8 per cent. more charges were filed in 1974 than in the previous year. About half of those convicted actually went to prison. About a quarter of the 24,000 people detained in Federal prisons last year were convicted of violent crimes. Most were bank robberies—and almost all those convicted of violent crime received prison sentences.

A conservative like his predecessor, the President rejects the idea of tackling crime via the social conditions which breed street crime. Like his predecessor, he rejects stiff gun control legislation which many criminologists feel would help to reduce violence. He thus has the further options of either pouring *money* into state programmes, as the Federal Government has been doing through the Law Enforcement Assistance Administration (LEAA), or he can ask Congress to bring certain state crimes within federal jurisdiction. The latter solution was considered until the Justice Department advised the White House that such legislation would call for a massive new federal prison construction programme.

Since the President had to "do something" he sent Congress a crime message in which he managed to sound tough enough to win the approval of right wing Republicans and humane enough for his "nice guy" image.

Stressing that crime is a problem for state and local government, that the Federal Government can only "set an example," Mr. Ford called for mandatory gaol sentences for criminals who use a gun or are convicted of a serious crime; steeper fines for white collar offenders; and a stiffer than expected gun control bill. On the humane side, he proposed that prisons be improved and that victims be compensated for personal injury inflicted by criminals.

"For too long," he said, "the law has centred its attention more on the rights of the criminal than on the victim of the crime. It is high time we reversed this trend and put the *highest priority on the victims* and the potential victims."

The message received little criticism and some praise from the media. When its promises were translated into three pieces of legislation and sent to Capitol Hill it caused little stir. The first piece of the programme to go up was the Gun control bill to ban the manufacture and sale of "Saturday Night Specials," the cheap, easily concealed pistols used in many shootings. The President also asked for strengthened laws against illegal shipment of guns and tightened regulation of firearms dealers. Support for this compromise was so scant that the administration has been having difficulty finding a Senator to introduce it.

The President's second request was for a five year continuation of the LEAA, which distributes funds to states for further distribution to localities. The LEAA has been criticised in the past *for spending too much money* on weapons for its officers. However, it seems that the emphasis will be more on grants to improve the overworked, undermanned judiciary system. A special $50m. per year is to be set aside for those urban areas with the highest crime rates. Whether or not the LEAA will have more success than in the past remains to be seen.

The third prong in the President's attack on crime is an amendment to a controv[illegible] revision of the U.S. Cri[illegible] Code already being consi[illegible] in Congressional commi[illegible] The Administration is aski[illegible] the passing of prison te[illegible] be mandatory for serious [illegible] —although this is almost [illegible] done anyway. The Admin[illegible]tion also expressed suppor[illegible] another proposed revisi[illegible] programme to use about $7[illegible] the $14m. a year which federal courts collect in fin[illegible] restitution to crime victims [illegible] maximum payment in any [illegible] would be about $50,000.

Both these provisions [illegible] wide support but the [illegible] code itself is in deep [illegible] in Congress. It includes [illegible] its critics call an "o[illegible] secrets act," would restore [illegible] death penalty in some [illegible] lengthen maximum prison [illegible]tences which many expert[illegible] sider too long already [illegible] broaden the Governm[illegible] authority to wiretap. These [illegible] other provisions will be de[illegible] for some time. It is hard to [illegible]derstand why the Adminis[illegible]tion would bury any [illegible] ments which it really [illegible] passed in such controv[illegible] legislation.

The Administration sent [illegible] prison reform *legislation* [illegible] Capitol Hill but did expres[illegible] support for a four year [illegible] prison construction program[illegible] already under way. Thus [illegible] is little new of any substanc[illegible] the Ford crime package, but [illegible] President has managed to s[illegible] himself against criticism tha[illegible] is doing nothing.

Cabinet meets as fighting in Lebanon continues

BEIRUT, Sept. 9

PRESIDENT Suleiman Franjieh, his home-town beseiged by Moslem Leftists, summoned Premier Rashid Karami and his Cabinet yesterday to decide whether to call in the army to end nine days of bitter sectarian strife in northern Lebanon.

Known casualties in the conflict between Christians and Moslems topped 300 dead and wounded since fighting began. Police sources said more than 50 persons died on Monday and "dozens more" yesterday, but exact figures were impossible to calculate.

Moslem factions from Tripoli, hometown and political stronghold of Karami, descended on Zghorta, 5 miles away, in a revenge raid for the killing of 12 men from Tripoli on Sunday. The dead Moslems were taken off a bus and shot down, gang-land style.

Unconfirmed newspaper reports put the number of raiders in the Tripoli force as high as 3,000—pitted against 2,000 Christian militiamen in Zghorta.

Earlier, an official statement from the internal security forces denied a report that Zghorta had fallen to the invading force. "There has been heavy fighting in the area, but there has been no occupation of Zghorta by any other group," the statement said.

Reporters tried in vain to pass roadblocks on the Beirut-Tripoli road to reach the scene of the fighting. Telephones from Tripoli and Zghorta to Beirut were down and only sketchy reports of the fighting reached the capital.

Mr. Franjieh arrived in Beirut by helicopter from Ehden—the summer Presidential seat south-east of Zghorta—as all roads from the palace were blocked.

Political sources said he faced a showdown with Mr. Karami over the possible use of Lebanon's 18,000-man army to quell the fighting around Tripoli. Mr. Karami opposed giving the army a free hand under the present command, which supported the President, the sources said.

Mr. Karami feared that if the predominantly Christian-officered troops moved against the Moslem Left, it would provoke further clashes which could spread to full-scale civil war, the sources said.

So far, Beirut, scene of three previous rounds of fighting involving Leftists and Rightists, has been relatively calm during the Tripoli fighting. Four explosions echoed across the city during the night, injuring one person and causing material damage.

One explosive charge went off behind a building in suburban Chiah, a Moslem suburb which figured prominently in the fighting which racked the city from April until early July. Another bomb exploded near a security forces armoured car, patrolling the area, but the blast did little damage.

The other blasts were in the centre of the city in the main Hamra shopping district.

Motorists in Beirut queued for petrol at filling stations which rapidly ran dry when drivers of fuel tankers went on strike to protest against some of their number being shot at in Tripoli.

Nearly 70 per cent. of Beirut's petrol requirements come from a refinery near Tripoli and the rest from a refinery near Sidon, in the south.—UPI

Japan plans tough moves to reflate economy

TOKYO, Sept. 9.

THE Japanese Deputy Prime Minister Takeo Fukuda has revealed the government is working on a new package of drastic reflationary measures to pull the economy out of its recession.

Mr. Fukuda told a Press conference that an outline of the programme would be explained by the Prime Minister, Mr. Takeo Miki in his policy speech at the extraordinary Diet (parliament) session which is due to open next Friday.

Mr. Fukuda, who is also the Director General of the Economic Planning Agency, said he would like to complete the measures by September 18 or 19. He did not elaborate.

Ruling Liberal-Democratic party sources said the reflationary measures are likely to contain additional investments in public works totalling over Y2bn. for building houses, express railways and also bridges in the Seto Inland Sea.

The sources said the Bank of Japan is likely to lower its official discount rate. Last month the rate was lowered to 7.5 per cent. from 8 per cent.
Reuter

COCOS ISLANDS 'PARADISE' FOR OWNER

CANBERRA, Sept. 9.

THE OWNER of the Cocos (Keeling) islands in the Indian Ocean, which Australia says it intends to buy, lives "in the way his ancestors lived 100 years ago." Prime Minister Gough Whitlam said to-day.

Mr. Whitlam told the House of Representatives the islands were a paradise for the owner, John Clunies-Ross, whose ancestors were granted the territory under a Royal Charter last century by Queen Victoria.

He said: "He lives in the way his ancestors lived 100 years ago. Those he employs have to live as they did 100 years ago. There is no part of the world where things have changed so little.
Reuter

Tanzam railway carries vital wheat to Zambia

LUSAKA, Sept. 9.

PRESIDENT KENNETH Kaunda said to-day that imports of wheat for his country had been transported into Zambia on the new Chinese-built Tanzania-Zambia Railway on an emergency basis.

The railway, which took five years to build, is not yet in general operation. The Zambian leader was asked at a Press conference if he could elaborate on reports that wheat was being transported to Zambia on the 1,163-mile railway. Dr. Kaunda said: "That has been on an emergency basis."

Tens of thousands of tonnes of wheat had been trapped in the Angolan port of Lobito following the closure of the Benguela railway, which runs from Lobito to Zambia.

Official mining sources said the possibility of moving Zambian copper exports on the railway was being studied.

Ships had brought wheat to Dar-es-Salaam, from where it was being moved on the railway and by road.

Dr. Kaunda could not say when the £225m. railway would be fully operational. The Chinese began work on the project in 1970.

Chinese sources said various items along the line, such as signalling complexes, had still to be completed.

The Times of Zambia newspaper reported last Sunday that three wheat trains had been scheduled to leave Dar-es-Salaam each week for the Zambian terminal of Kapiri Mposhi during the period of emergency operations.
Reuter

Trevor Grundy adds: President Kaunda's Press conference—the largest for many months—was concerned almost entirely with domestic affairs. Parrying questions on detente, divisions in Rhodesia's African National Council and the possibility of fresh diplomatic contacts between Zambia and South Africa, the President spoke mainly about the seriousness of domestic inflation, now estimated at an annual rate of some 24 per cent.

He announced that all workers would soon be required to join a compulsory savings scheme, but admitted that implementation of the Mwanakatwe Salaries Report, adopted last week, would cost Government an extra K40m. a year and would principally benefit the higher paid.

The compulsory savings scheme—no details on how it is to work are yet available—is clearly an attempt to mop up surplus cash which will soon be circulating in Zambia's ailing economy, troubled by low copper prices and appalling transportation difficulties.

Sihanouk returns to Phnom Penh

PEKING, Sept. 9.

PEKING gave the Cambodian Head of State Prince Norodom Sihanouk a tumultuous and emotional farewell to-day as he left on the last stage of his long journey home.

A large section of the Chinese leadership headed by Senior Vice-Premier Teng Hsiao Ping went to the airport to see Prince Sihanouk board the aircraft taking him back to Phnom Penh, the capital he has not seen for more than five years. The Prince was close to tears as he embraced members of his entourage who had chosen to stay behind.

(In Phnom Penh Prince Sihanouk was greeted at Pochentong airport by Mr. Son Sen, the Deputy Prime Minister in Charge of National Defence, and other Khmer Rouge leaders as well as a crowd of ordinary citizens, according to Reuter reports from Bangkok.)

No journalists were allowed to accompany the party to Phnom Penh—a decision more likely to have been made by the Khmer Rouge leadership than the ebullient Sihanouk. However, before he boarded the aircraft the Prince distributed copies of the speech he intended to make on his arrival.

The Prince said in his speech that his emotion was indescribable and his happiness was infinite at being back in his native land.

He said that during the last five years he had devoted every effort to his own mission—to plead Cambodia's cause on the international stage. Prince Sihanouk said the "fantastic" victory won by the Khmer Rouge had excited the admiration of the entire world and Cambodia had now a national pride "without bounds."

(SYDNEY MORNING HERALD)

Machel, Nyerere pledge to S. Africa nationalists

LOURENCO MARQUES, Sept. 9.

THE PRESIDENTS of Mozambique and Tanzania have issued a joint pledge of support for Black nationalists in South Africa, saying apartheid persists despite Pretoria's "much-vaunted" policy of detente with African nations.

Presidents Samdra Machel and Julius Nyerere signed their statement here on Saturday, during a visit by Dr. Nyerere. It was released last night.

The two leaders said that "despite South Africa's much vaunted detente policy, the Africans in South Africa continue to suffer the indignities of racial discrimination and to be denied all opportunities for human development and fulfilment."

The two Presidents reaffirmed their "total moral, material and political support for South African national liberation movements in their struggle for a society free from racial discrimination and founded on human equality and dignity."

On the situation in Rhodesia, where African nationalists are demanding an end to White minority rule, the Presidents "agreed that the independence of Mozambique radically altered the balance of forces in favour of the African nationalists and created more favourable conditions for success of the Zimbabwe people's struggle."

IN PARIS, one of Angola's rival liberation movements said the Portuguese Government was totally incapable of resolving the Angolan crisis and should immediately withdraw all its troops.

UNITA said Portugal was responsible for the present situation in the troubled West African territory.
Reuter

Muzorewa to hold new talks on ANC split

By Our Own Correspondent

LUSAKA, Sept. 9.

BISHOP Muzorewa, the African National Council president, returned here to-day from Europe but refused to comment on the growing divisions within the organisation. He is expected to hold talks with the warring factions, as well as with President Kaunda.

Bridget Bloom adds: Mr. Enos Nkala and Mr. Morton Malianga, leading ANC members formerly belonging to Zanu, described Sunday's meeting of the ANC executive committee as a "rebellion against the party." In a joint statement issued in London they called on "loyal members of the ANC, including former Zanu" to support "any action which the leadership might be forced to take against Joshua Nkomo and his supporters."

Egypt, Israel begin talks on Sinai disengagement details

BY DAVID EGLI

GENEVA, Sept. 9.

EGYPTIAN and Israeli delegates began meeting here to-day to work out the step-by-step arrangements for the implementation of the new Sinai agreement signed last Thursday. Russia and the U.S. stayed away from the opening session.

Under the terms of the agreement the two sides have two weeks in which to work out the intricate details for the redeployment of their forces in the area, the handing back to Egypt of the Abu Rudeis oil fields and the installation of American civilian technicians to man electronic surveillance equipment in the Mitla and Giddi passes.

Although the first meeting is understood to have dealt with procedural matters only and lasted 45 minutes, a rapid pace was set for the subsequent negotiations with a second meeting taking place the same day.

The talks, within the framework of the military working group of the Middle East Peace Conference, are chaired by the Commander of the UN Emergency Forces in the Sinai, General Ensio Siilasvuo of Finland. In a brief public statement opening this morning's meeting—the first conference table meeting of Egyptians and Israelis since January, 1974, Gen. Siilasvuo expressed confidence that, while the task was not easy, the work would be completed in time, "by dint of perseverance, mutual accommodation, understanding and co-operation."

The crucial nature of the talks, he noted, was evident under the provisions by which the agreement would enter into force only upon signature of the protocol covering implementation.

Once this is signed, the parties to the agreement are committed to arrange for the full redeployment involving an Israel pull-back from 3,500 square miles of occupied Sinai desert, within eight weeks.

The magnitude of this achievement, General Siilasvuo reminded the delegates, will be determined by the extent to which the agreement contributes to changing the atmosphere and maintaining quiet in the Sinai, "as well as helping to create the proper framework within which the momentum of negotiations will continue with the view of attaining a comprehensive solution within the whole area of conflict."

The negotiating teams, predominated by military representatives on both sides, were headed by Mr. Mordechai Gazit, former director-general of the Israeli Prime Minister's office and Major-General Taha el Magdoub, a member of the Egyptian General Staff.

Guerilla leader denounces pact

BY IHSAN HIJAZI

BEIRUT, Sept. 9.

DR. GEORGE Habash, leader of the Marxist Popular Front for the Liberation of Palestine (PFLP), to-day strongly condemned President Sadat over the Egyptian agreement with Israel in Sinai, and said that Syria can now play an historic role in leading the Arab armed struggle against Israel.

The commando leader spoke at one of his rare Press conferences held at a Palestinian refugee camp here. He urged the Syrian regime of President Hafez Assad to renounce all efforts at a Middle East settlements, and never to allow U.S. Secretary of State Dr. Henry Kissinger to visit Damascus again. If Syria would take such a course, he said, the entire Arab masses would rally behind her.

The 48-year-old Dr. Habash, a graduate of the school of medicine at the American University of Beirut, also hit out at the U.S. and said that Arab masses are powerful enough "to turn Sadat and his policy into an insignificant moment of Middle East history."

The commando leader had just returned from a visit to Tripoli, where he held talks with Libyan leader Col. Khedafi, another strong critic of the Egyptian President. Dr. Habash is also the leader of the militant commando "Rejection Front" which includes three other guerilla groups.

He said that the PFLP will be ready to rejoin the Palestine Liberation Organisation if the latter would renounce completely all efforts at a Middle East settlement and refuse to go to Geneva to discuss such a solution.

Reuter adds: Dr. Habash asked "Patriotic and progressive Arab regimes as well as all the anti-imperialist Arab forces throughout the Arab world . . . to provide Syria with unlimited requirements for the continuation of the fight (against Israel)."

He stressed the importance of the current civil strife in Lebanon between leftist and right-wing political factions and predicted that there would be more fighting involving Palestinians.

"We expect, during the following month, a new reactionary plan to emerge aimed at destroying us as a Palestinian resistance movement and destroying the Lebanese national movement."

INDIA TO CUT OIL USAGE

By K. K. Sharma

NEW DELHI, Sept. 9.

India's new energy policy envisages substitution of oil by coal as far as possible, according to K. C. Pant, Minister of Energy.

Consumption of oil is to be curbed to the Maximum extent possible and power generation increased to meet the economy.

Clearing Bank loan analysis

August 20, 1975

The table covers advances by offices of the London Clearing Banks and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the banking sector.

This analysis includes loans under the special schemes for shipbuilding (within item 6 "Shipbuilding") and for exports (within item 25 "Overseas residents"); but amounts which have been refinanced with the Bank of England are not included. The totals of advances outstanding agree to the totals shown in Table 1 of the monthly balance-sheet statement.

	Columns (1) Total outstanding May 21, 1975	(2) Total outstanding Aug. 20, 1975	(3) Change on quarter	(4) Col. (2) as % of total
MANUFACTURING	£m.	£m.	£m.	£m.
1. Food, drink and tobacco	675	587	− 88	2.9
2. Chemicals and allied industries	460	421	− 39	2.1
3. Metal manufacture	260	228	− 32	1.1
4. Electrical engineering	392	409	+ 17	2.1
5. Other engineering and metal goods	994	902	− 92	4.5
6. Shipbuilding (including special scheme lending)	272	284	+ 12	1.4
7. Vehicles	334	338	+ 4	1.7
8. Textiles, leather and clothing	404	439	+ 35	2.2
9. Other manufacturing	697	728	+ 31	3.7
Total 1-9	4,488	4,336	− 152	21.7
OTHER PRODUCTION				
10. Agriculture, forestry and fishing	742	781	+ 39	3.9
11. Mining and quarrying	141	139	− 2	0.7
12. Construction	1,110	1,098	− 12	5.5
Total 10-12	1,993	2,018	+ 25	10.1
FINANCIAL				
13. Hire purchase finance companies	186	180	− 6	0.9
14. Property companies	1,425	1,410	− 15	7.1
15. Insurance enterprises (including pension funds)	135	136	+ 1	0.7
16. Other financial	898	906	+ 8	4.5
Total 13-16	2,644	2,632	− 12	13.2
SERVICES				
17. Transport and communication	484	518	+ 34	2.6
18. Public utilities and national government	733	7[illegible]3	+ 40	3.9
19. Local government services	127	129	+ 2	0.6
20. Retail distribution	735	766	+ 31	3.8
21. Other distribution	628	670	+ 42	3.4
22. Professional, scientific and miscellaneous	1,446	1,455	+ 9	7.3
Total 17-22	4,152	4,311	+ 158	21.6
PERSONAL				
23. House purchase	998	1,020	+ 22	5.1
24. Other personal	1,823	1,876	+ 53	9.4
Total 23-24	2,821	2,896	+ 75	14.5
TOTAL ADVANCES TO U.K. RESIDENTS	16,099	16,193	+ 94	81.1
OVERSEAS				
25. Overseas residents (including lending for exports under special schemes)	3,519	3,774	+ 255	18.9
TOTAL ADVANCES*	19,618	19,967	+ 349	100.0
* Including advances in foreign currencies	3,800	4,145	+ 345	
of which to: U.K. residents	1,989	2,130	+ 141	
Overseas residents	1,811	2,015	+ 204	

Indignant EEC reaction to U.S. car allegations

BY DAVID CURRY BRUSSELS, Sept. 9.

THE EUROPEAN Commission has reacted indignantly to the finding of the American International Trade Commission that foreign car imports into the U.S. may be hurting American industry.

But, despite its annoyance and its determination to register its protest with the U.S. as insistently as possible, it is unwilling at the moment to refer to possible trade war. At the same time, it regards this as one of a series of worrying protectionist moves by Washington and it would like to work out a Community approach to the whole issue of American trade irritations rather than respond piecemeal to individual problems.

Referring to the anti-dumping investigation as a "threat to a traditional and important Community market," the Commission re-asserted that cars imported from Europe "are manifestly not causing or threatening to cause material injury to the U.S. automobile industry." The continuation of the investigation would cause "harrassment, legal expense and possible disruption to trade," it noted.

The Commission was commenting on the finding of the American investigative body that it was "unable to determine that there is no reasonable indication that an industry in the U.S. is being or likely to be injured" by foreign car imports.

If the U.S. Treasury's own report finds that dumping has occurred, customs valuation of car imports will be suspended while the International Trade Commission again conducts an investigation to decide whether the U.S. industry has suffered material damage. If it has, counter-vailing duties will be imposed that will be well in excess of normal customs duties.

At the moment, the European Commission is basing its arguments on the twin assertions that the U.S. investigation has no legal validity and that statistics show that it is groundless in any case. It maintains that the investigation, undertaken following requests from the United Autoworkers' Union and a Congressman from Pennsylvania, is breaking GATT rules because it does not emanate from the industry itself (the U.S. says that the GATT definition of "industry" is vague) and because the inquiries into possible injury and into pricing are not proceeding concurrently.

However, on the question of prices it is slightly more on the defensive since it admits that because of currency fluctuations there may well have been isolated technical cases of dumping even though this has not caused damage.

The American allegations refer to the price-cutting war of the early part of this year when car imports gained significantly, to take 20 per cent. of U.S. registrations. British Leyland, for example, lopped $400 off the price of 10,000 Marinas of 1974 vintage which would normally have retailed for around $3,000 each in order to get rid of stocks. This was in response to the cash rebates being offered by Detroit to accelerate purchases of U.S. cars. This discount took the cars to a cheaper price than that in the U.K.

Volkswagen is also reported to have said that the U.S. price war had forced it to maintain low prices in the U.S. compared with its prices elsewhere. The German company recently decided against setting up manufacturing facilities in the U.S. after a long period of hesitation.

Business survey gives boost to Spanish economic prospects

BY ROGER MATTHEWS MADRID, Sept. 9.

HOPES THAT the decline in the Spanish economy has finally bottomed out received mild encouragement to-day with the publication of the latest monthly survey of business opinion, carried out by the Ministry of Industry.

Although the report for July generally maintained the gloomy picture of the past half-year, it did indicate that there had been some marginal improvement in the level of demand for industrial products.

Government economists, having resigned themselves to the fact that the growth in GNP this year will be at best around 1 per cent., are anxiously studying all available indicators for a sign that the decline in activity is coming to an end.

The main basis for the Ministry's hopes comes from the fact that order books have shown a slight improvement. Yet at the same time industrial stocks are still falling and it may take some time before production levels begin to show any significant change. During the second half of 1974, many companies, especially those in which the State has a controlling stake, continued producing at unrealistic levels and thus built up very large stocks.

The investment outlook continues to be gloomy, with the main chambers of commerce reporting that there is no sign yet of any upturn. But prices seem to be stabilising, as anticipated in the latest OECD report on Spain.

Inflation seems likely to fall to around 14 per cent. this year, according to official figures, due largely to the fall-off in demand and always provided there are no further increases in the price of crude oil.

The construction industry, the first to have been hit by the economic downturn, continues to be affected. The Ministry survey shows that in July there was a further fall in pending contracts. Despite injections of government money into public works projects this has proved insufficient to stem the trend, and contracts from industrial sources are still declining.

As around 1m. workers are employed in construction, this would indicate that unemployment will continue to rise. Officially, the jobless total is still around 2.2 per cent., though semi-official sources indicate a substantially higher figure.

Perhaps the most depressing single indicator for this sector was the level of orders for new construction equipment, which showed a further fall in July.

Unexpectedly swift moves to start leftists' trial

By Our Own Correspondent MADRID, Sept. 9.

THE SPANISH régime is moving with unaccustomed speed to bring five alleged members of an extreme Left-wing organisation, FRAP, to trial on charges of having murdered a police officer. All five will face the death penalty if convicted by the court martial now being formed.

According to legal sources, the trial could take place within seven days. As the hearing is unlikely to take more than two days and the verdict will almost certainly be guilty, this would allow Head of State General Franco to consider clemency for the five at the same time as he considers the cases of two members of the Basque separatist group ETA, sentenced to death 10 days ago.

Semi-official sources indicate that Government anxiety over the situation in the Basque provinces has risen with the show of civil disobedience and violence following the conviction of the two Basques. Perhaps a majority of Ministers would be opposed to clemency, but in order to placate police opinion it would be convenient if this was to be matched with the confirmation of the death sentence on other Left-wing activists.

Thus, it was thought likely to-day that the death sentences on Jose Antonio Garmendia, who suffered brain damage from a bullet wound when he was arrested, and Angel Otaegui, whom the prosecution never claimed was in possession of a firearm, will be commuted.

France initials Iraqi atom agreement

By Robert Mauthner

PARIS, Sept. 9.

THE NUCLEAR co-operation agreement between France and Iraq, foreshadowed by M. Jacques Chirac, the French Prime Minister, at the weekend, was initialled here last night but will not be signed until it has been approved by the European Communities.

Under the agreement, France will build an experimental nuclear power station in Iraq, where Iraqi scientists and technicians will be trained, as well as an unspecified number of American Westinghouse-type pressurised water reactors, for which Framatome holds the French licence. In a later stage, France has agreed to build more sophisticated fast breeder reactors in Iraq, but these are still in the process of being developed.

The initialling of the nuclear agreement was followed to-day by talks here between President Giscard d'Estaing and Mr. Saddam Hussein, Vice-President of Iraq's Revolutionary Command Council, at which the Iraqi leader extended an invitation to the French President to visit Iraq. According to French officials, M. Giscard hopes to pay this visit early next year.

Portugal's major industry, textiles, is suffering the difficulties of textile manufacturers the world over. But it also has to contend with the effects of the revolution. **Elinor Goodman,** recently in Porto, reports that businessmen seem to be . . .

Taking it very calmly

LISTENING TO the conversation of a group of Portuguese textile industrialists with factories employing 9,000 workers in the Porto area, it is difficult to reconcile their outward calm and prosperity with the reports of wholesale management purges, factory occupations and production breakdowns.

Such men do not maintain that all is well in Portugal. Indeed they seem to regard the present situation as a nightmare, only bearable because it must end soon. But they do claim that, as in Northern Ireland, production has continued largely uninterrupted in the majority of factories. These particular industrialists claim not to have lost more than one day's output this year between them. Though running at a considerably lower rate than last year, industrial production, they say, has been one of the few relatively stable factors in a highly unstable world.

In almost all other respects, Portuguese businessmen, such as those textile factory owners, have had to adapt to fundamental changes in their business lives. The most inescapable result of the revolution for them has been the doubling of wage and social security costs which at a stroke has undermined their whole cost structure.

On a more subtle level, they have also had to contend with a climate in which the workers —if only in a few cases actually demanding to run the show — certainly expect to be told what is going on and why. Though none of the textile men I met had personally been the victim of a "management purge," there were enough examples of workers showing their muscles in the Porto area to make them feel very uneasy. The manager of one plant near Porto, for example, was told to make sure that his company car keys were handed to a representative of the workers' commission by 5.30 p.m. each day — an unnerving experience for a man who, like so many of Portugal's company directors, had previously only been answerable to his relatives who sat on the Board with him. (Not surprisingly, local industrialists prefer to relate the story of a company chairman who lost his job as a result of a Left-wing-inspired coup by a group of workers, only to have the rest of the workforce strike for his reinstatement. But the car key episode is probably more representative of the changing climate for management.)

On top of these domestic problems, the Portuguese textile industry has also had to cope with the consequences of international recession and the loss of confidence among its customers in its ability to fulfil orders.

The textile sector illustrates most of the problems which Portuguese business is currently experiencing. With a turnover of 24bn. Escudos, it employs 250,000 people, and imports virtually all its raw materials. Half of its production is exported, much of it until recently to Portugal's African colonies.

Like much of Portuguese industry, it is composed largely of small- to medium-sized family businesses — companies which, in some respects, seem to fit the criteria for meritorious private investment outlined by the Goncalves Government.

Though there are some plants with very modern equipment, many of the factories are old fashioned and ill equipped. And, as the leaders of Portuguese industry frankly admit, the management in many cases leaves a lot to be desired. Accustomed to dealing with their workers in a highly autocratic manner, many textile employers are finding it very difficult to adapt to post-revolutionary industrial life—some, indeed, have left the country rather than try.

For the textile industry the development of worker power has been felt most directly in terms of profits. The worker commissions, which in some factories have demanded the sacking of management and a real say in the basic decisions involved in running the business, have not, as yet, had much impact on the textile industry. After initial successes, common to all sectors of industry, the Communists are now being replaced in the textile unions by a combination of socialists and the far left.

Even so, the managers of most textile companies are answerable to committees of shop stewards and, in some cases, workers' committees as well, who require regular reports on the state of the business — the size of orders in hand, etc. Though such accountability to the unions is a major departure for Portuguese employers, it does not seem all that "revolutionary" when viewed in the context of the current trend of industrial relations elsewhere in Europe.

'The effect on profits of the events since April 1974 has been dramatic by any standard . . .'

The effect on profits of the events since April 1974 has been dramatic by any standard, though quantifying the fall is difficult because so many companies are privately owned. Wage costs have been doubled, as have social security benefits. On top of this, holiday entitlements have been increased and the working week shortened. Whereas before companies used to pay just over 12 months' wages for 11½ months worked, now they say they are paying 14 months' wages for 11 months worked. Similarly, the basic working week has gone down from 48 hours to 42.5 hours.

Like so much of Portuguese industry, the textile industry—particularly the clothing sector —has traditionally relied for much of its international competitiveness on cheap labour. For the less labour-intensive sections like acrylic fibre production, the increase in labour rates has not been so damaging, but for some of the ready-made clothing factories who traditionally compete with South America and the Far East on price, it has been a body blow. The new levy on imports of Portuguese outerwear to Britain—the country's biggest export market for textiles—merely adds another problem to the industry's list of grievances.

Orders from abroad, which last year held up surprisingly well, have started falling away dramatically with an estimated drop in demand of up to 30 per cent on last year. Not only has the country lost its international attraction as a cheap labour pool, but it has also had to contend with lack of confidence both among its suppliers and its customers.

Suppliers are reluctant to give credit to a country which they see as politically unstable, while customers, who are in any case enjoying a worldwide buyers' market for textiles, are reluctant to order from a country which they feel may be unable to deliver the goods. Several of the major mail order companies, for example, have switched orders for T-shirts from Portugal to Brazil.

As the manufacturers constantly stress, delivering goods is no problem. Despite the 30 per cent. drop in demand this year, production is not expected to show a drop of much more than 10 per cent. For, given the protection of employment which now exists in Portugal, there is little cost saving to be gained from cutting production. Whereas textile manufacturers in Britain and around the world have been laying off workers, the Portuguese companies have had to go on paying theirs. The law states that companies can only sack workers with "just cause" —and a fall in demand is not deemed a just cause. Even so, some workers have agreed to work for less than the official minimum wage for fear of jeopardising their jobs. In theory, if a private emp cannot meet his wage bills the State will take over bot obligation to pay the wa and the factory itself.

The result of this limi on laying workers off, tog with the fall in sales, has a massive increase in s Not surprisingly, customers tended to reduce ordering and take advantage of the r facturers' plight to enforce bottom prices, while attem manufacturers to offload on the shrinking home m have resulted in even less able prices in Portugal it

The textile bosses also plain that the home mark been flooded by cheap p being sold off by worker have occupied factories Oporto last week, for ex a cheap line of bath towe being offered in the square.

All this has put treme strains on cash flow, partic last month when extra h bonuses had to be paid or the banks are now under control and are being run workers, credit is much difficult to come by than the local bank was being a family friend. Moreover is the fear that if compan too heavily in debt wi banks, they will find th ning of the company tak by a Government nomine one textile company is c in State hands (previ was owned by a bank wi now been nationalised) Government does not ap wan to nationalise the the industry at present.

The industry is not h beyond asking the Gov for help. At a recent of beleaguered business Lisbon, it called on th to give it some kind of to help the cost of fi stocks—an appeal whi Government is consideri the long term, however, t ing is that the industry w to undergo an overdue struction. About a third the existing factories nee modernised. If employ to be preserved the St have to take a stake in these companies.

Widespread approval for Danish party agreement

BY HILARY BARNES COPENHAGEN, Sept. 9.

THE FIVE-PARTY agreement reached yesterday on economic policy was widely welcomed here to-day as inaugurating a more stable political situation and as a triumph for the leader of the Social Democratic minority Government, Premier Anker Joergensen.

The agreement covered a short-term programme to boost demand and a medium-term commitment to control costs and prices.

Leader writers in nearly all newspapers speculated that the five parties—the Social Democrats, Liberals, Radicals, Christian Peoples and Centre Democrats—would be able, in effect, to carry the country through the remaining three years of the current Parliament.

The Central Bank Governor, Erik Hoffmeyer, emphasised in a conversation with the Financial Times, that the agreement, through the commitment to stable costs and prices and by confirming that Denmark would continue to participate in the European currency co-operation, would make it easier for the country to finance a current balance of payments deficit arising next year as a result of the demand boost.

Share prices have reacted favourably to the deal, which includes a commitment to abolish double taxation of company dividends by 1977. At present dividends are taxed both as company income and as personal income of the recipient of the dividend.

Resignation of Naples mayor sparks party chaos

BY RUPERT CORNWELL ROME, Sept. 9.

A STOP-GAP minority coalition of the Left, headed by a Communist mayor, is considered the most likely immediate answer to the pressing problem of finding a local government for Naples, after last night's resignation of the Republican Professor Giuseppe Galasso.

His expected decision came after a day of party turmoil in Naples, culminating in the refusal of the Social Democrats—despite a phoned appeal from the party's elder statesman, Giuseppe Saragat in Rome—to take part in the alliance of smaller parties Professor Galasso had proposed.

The events which led to the resignation have been a vivid example of Italian politicking at its worst. As so often narrow factional interests have been set above the common good. In this case the installation of a solid local government to bring a little order to the chaos of Naples.

The chief culprit by common consent has been Sig. Antonio Gava, head of the Christian Democrat family that dominates local politics. However, after the Communists supplanted the Christian Democrats as the city's largest party in the June elections, Professor Galasso was elected to head an administration that would have excluded the Christian Democrats. Sig. Gava, who put strong pressure on the Social Democrats, is intent on regaining lost ground.

If the Communists and Socialists do form the next "junta," it will be shortlived, for next February's city budget debate is certain to bring it down. In the meantime, the struggle for Naples could well have important repercussions on the national political scene.

Azevedo continues his quest to bring parties into Portuguese government

BY JANE BERGEROL LISBON, Sep

AFTER LAST night's promise of a sixth Government by Thursday, the Prime Minister designate, Admiral Pinheiro Azevedo, continued his contacts to-day with Portugal's political parties.

Uproar meanwhile broke out in the evening Press as there was unanimous and ferocious criticism of a Supreme Revolutionary Council measure passed last night censoring military news.

Yesterday's revolutionary council meeting—the first since army moderates reinforced their position—emphasised the victory of the "Group of Nine" dissenting officers, led by former Foreign Minister Major Melo Antunes, over the pro-Communist officers lead by the former Prime Minister, General Vasco Goncalves.

However, Admiral Pinheiro Azevedo said that "four factions of the Armed Forces Movement" would be represented in the new Government so it will still not be devoid of tension and confrontation among its military Ministers. Crucial to the effectiveness of the new Cabinet will be the platform of agreement that could be reached between the "Group of Nine" officers and the copcon security forces faction, led by General Otelo Saraiva de Carvalho.

Last night's Revolutionary Council meeting clearly produced a victory for the nine with the appointment of one of its most prominent members, Captain Vasco Lourenco to head a study for reforming the Armed Forces Movement general assembly, to produce a more representative and democratic body.

For the country, such an assembly might mean a more coherent, less extremist view of Portugal's political future; with the accent on returning to law and order, to a political stability encouraging the inflow of foreign capital and the emphasis on implementing the formidable pile of new laws passed by the last three governments—particularly the fifth.

The fact that Admiral Pinheiro Azevedo has been consulting such a wide range of political parties (to-day he saw the extreme left Popular Democratic Union and the rightist Monarchist Party) suggests the Armed Forces Movement is planning to round up support for the new Government and the Revolutionary Council from all possible sources. There are suggestions that the AFM may even ultimately consider pre the sixth Government' gramme, drawn up by t Prime Minister, not me those three major part to take up cabinet (Socialists, Popular De and Communists) but to parties and to try to pledges from all sides together and work for r reconstruction, in a attempt at a pact with forces here.

Iceland toughens its stance against W. German trawlers fishing its waters

BY OUR OWN CORRESPONDENT REYKJAVIK, Sept. 9.

THE ICELANDIC Government has taken a much harder stand in the fishing dispute with West Germany. Previously, West German trawlers were to a great extent left unmolested when fishing within the 50-mile limit but now their gear is being cut.

This new policy of the Icelandic Government might mean a harder stand against the U.K. in discussions starting on September 11.

Action against West German surveillance ships is under consideration in Iceland and the Government and the trade unions are considering halting all service to these ships in Icelandic harbours.

The surveillance ships have followed Icelandic gunboats and warned German trawlers of their positions in order that the trawlers might better escape the gunboats when fishing within the 50 miles.

This takes place against the background of planned discussions with the West Germans. The date has not been fixed but the talks are expected to take place around September 25.

Iceland has indicated that an agreement with Britain and West Germany will depend upon whether the EEC has, because of the unsolved fishing dispute between Iceland and West Germany, refused to reduce tariffs on Icelandic fish products in EEC countries.

Such a reduction had been agreed between Iceland and the EEC but was made conditional on an agreement being reached between Iceland and West Germany.

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HOME NEWS

Demand for bank loans continues at low level

BY MICHAEL BLANDEN

LACK OF DEMAND for bank loans is again shown by the latest monthly figures produced by the London clearing banks, with sterling advances to the U.K. private sector dropping by £191m. in the period to mid-August.

The sluggish response of manufacturing industry is illustrated by the accompanying breakdown of lending for the quarter ended in August. This shows that over the three-month period lending to manufacturers dropped by £152m. to £4.34bn. The financial sector showed a fall of £12m., and the total rise in lending to U.K. residents during the period was only £94m.

This figure was exaggerated by the impact on foreign currency lending of the fall in the value of the pound during the period, and it is clear that sterling lending remained very depressed.

The low level of demand for bank loans, at a time when their deposits have been rising significantly, has been one of the main factors contributing to the high levels of liquidity in the banking sector.

This in turn lies behind the recent strong demand for Treasury bills and other short-term investments and the downward trend of short-term interest rates in the U.K., prompting the Bank of England's signal to the money market on Monday that it did not want to see any reduction in its minimum lending rate on Friday.

The clearing banks show that in the five-week period to mid-August their holdings of Treasury bills rose by £101m. and their loans to the discount market by £150m.

At the same time, because they have been able to finance their low lending volume out of ordinary branch deposits, they have been able to reduce their reliance on wholesale funds drawn from the money markets. In the period to mid-August, their issues of sterling certificates of deposit—one of the main vehicles for this purpose—dropped by £175m. to £1.76bn.

The fall in lending in August, it is reported, was much in line with the normal seasonal trend. There was, however, an exceptional movement on the deposit side. Sterling deposits held by U.K. residents with the banks rose by £375m. against the normal trend, reflecting partly a temporary rise in Inland Revenue receipts held on deposit with the banks.

London banks' average reserve ratio dropped slightly from 13.7 per cent. to 13.6 per cent., although the Scottish clearing banks showed an increase from 13.7 to 14.5 per cent.

The quarterly analysis shows that, while lending to industry has stayed low, other sectors have been taking more from the banks. The personal sector increased its borrowing by £75m. in total, of which £53m. was for purposes other than house purchase, reflecting half-yearly charges.

The services sector showed a rise of £158m. It is thought, however, that this sector, which includes transport and communication (up £34m.) and public utilities and national government (up £40m.), has been particularly affected by the revaluation of foreign currency borrowings after the fall in sterling during the quarter.

Houses scarce soon, says Abbey chief

BY MICHAEL CASSELL

THERE will soon be a shortage of houses for sale, and prices can then be expected to rise more sharply than in recent months, according to Mr. Tim Timberlake, chief general manager of the Abbey National Building Society.

Mr. Timberlake, writing in the *Building Societies' Gazette*, says that although societies have been enjoying a most successful year, the one black spot has been the continuing recession in private housing.

His society takes the view that revival of the new house market and restoration of builders' confidence have been, and still remain, the most crucial factors affecting the building society movement in its role as the main provider of finance for ownership.

"It has therefore been our deliberate policy to give as much priority as possible to mortgage applications on newly-built houses. Moreover, we have tried to move some of the stock of medium and higher-priced properties because the house market is not split into separate categories. There must be movement, buying and selling, of all types and prices of dwellings if the first-time buyer is to have a real chance of getting a home."

The Abbey National reports that the stock of properties on the market, particularly of those up to £15,000, has diminished considerably. But although there has been an improvement in the number of new private housing starts, the society believes a shortage of homes will soon be apparent.

Mr. Timberlake adds: "As this situation develops, the price of houses is almost certain to rise and reflect the increased costs of building over the past 18 months. It is still good advice to would-be purchasers to buy now if they possibly can.

"While a continuing high volume of money available for lending is reasonably assured, the signs are that demand will continue to outstrip supply, necessitating a strict control over mortgage applications accepted. It has been evident that incomes have caught up with prices and current interest rates and until the inevitable increase of prices begins to bite, the problem will continue to be one of deciding a fair priority in dealing with the queue rather than finding the people who wish to borrow."

£10m. a year subsidy for political parties urged

BY JOHN BOURNE, LOBBY EDITOR

THE CASE for public subsidies of £10m. a year to political parties with representation in the House of Commons is strongly argued in a pamphlet published to-day by Political and Economic Planning.

A copy has already been sent to the Government committee under Lord Houghton set up to examine the question of subsidies to help parties in their functions outside Parliament. The pamphlet's author, Mr. Dick Leonard, former Labour MP for Romford, and the director of PEP, Mr. John Pinder, are to be questioned by the committee on Monday.

Summarising the results of his visits to three of the ten countries which already provide subsidies to their main parties — West Germany, Sweden and Finland — Mr. Leonard identifies three chief benefits:—

- A redistribution of financial resources which, by and large, has favoured the poorer parties and also sometimes the smaller ones.
- The parties have become less financially dependent on "interest groups" like the trade unions and business.
- All parties have increased their efficiency.

Any system for Britain should be designed, Mr. Leonard says, to avoid two negative consequences he observed in Germany and to a lesser extent in Finland —wasteful expenditure and a growing centralisation of power in political parties due to subsidies being paid only at national level.

His formula for Britain is £5m. a year for the national organisations and a further £5m. for the same parties at constituency level. The effect of his scheme, based on the October, 1974, General Election results, would be to give at national and local levels respectively, £2.5m. and £2m. to the Labour Party; £2.1m. and £1.8m. to the Conservatives; and £102,000 and £800,000 to the Liberals.

For the Scottish Nationalists the figures would be £86,000 and £150,000; for the United Ulster Unionists £78,000 and £72,000; for Plaid Cymru £23,000 and £15,000; and for the Social Democratic and Labour Party £7,000 and £27,000.

Dependence

One of Mr. Leonard's main arguments is that the subsidies, which would be based on the number of Parliamentary seats and also the number of aggregate votes cast for a party at a general election, would dramatically decrease the financial dependence of the Labour party on the trade unions and of the Conservatives on big business.

"The proportion of Labo[ur] national income accounted [for] by trade union contributi[ons] would fall from 77.2 per cent [to] 19.6 while the proportion [of] Conservative income accoun[ted] for by donations would fall fr[om] 67 per cent. to 27.5."

But the real necessity [for] subsidies, he says, is that [the] three major parties are suffer[ing] an acute financial crisis, [and] even without inflationary p[res]sures, none of them is able [to] secure enough income from [the] subscriptions of their declin[ing] membership (20 per cent. [a] year) or from fund-rais[ing] activities.

Neither party had eno[ugh] money to maintain an adequ[ate] level of activities, while [the] Liberals had only a derisory [in]come. In recent years, the To[ries] had spent £11 for every £5 s[pent] by Labour and every £1 by [the] Liberals, but even the Conse[rva]tives had fallen far short of [the] optimum level of expenditur[e].

Mr. Leonard concludes [that] the disappointing perform[ance] of recent Governments, ma[inly] through lack of expert, well-[paid] research staff when in op[posi]tion, and the general lowerin[g of] the reputation of party pol[itics] in Britain, stemmed to [some] extent from inadequate finan[cial] resources.

"Paying for Party Polit[ics]." Research Publications Ser[vices] Ltd., Victoria Hall, [...] Street, London S.E.10, £2.[..] 25p postage.

British Gas plans own cooker

BY ELINOR GOODMAN

THE BRITISH Gas Corporation, which dominates the retail market for gas appliances through its showrooms, is considering cutting the number of branded manufactured lines it sells and starting marketing some gas appliances under its own name in the same way as the electricity Boards market electrical appliances under theirs.

The corporation, which sells more than 600,000 gas cookers a year, intends to start an own-brand operation with gas cookers. If the plan goes ahead it will give a major boost to the sales of the manufacturer which gets the contract. Later the idea may be extended to other appliances such as fires and water heaters.

The corporation's discussions with manufacturers have worried some manufacturers who fear they will lose distribution in the rationalisation of lines.

Other independent retailers have also been alarmed at the prospect of such "exclusive dealing" between manufacturers and the Gas Corporation.

Mr. Patrick McNair-Wilson, Conservative MP for the New Forest, has taken up the independent retailers' cause and written to Energy Secretary Mr. Anthony Wedgwood Benn, urging him to investigate allegations that the corporation is "discriminating against independent retailers over the supply of gas appliances."

Mr. McNair-Wilson said he had been shown evidence that it was now the "declared poicy of area gas Boards to purchase the whole stock of new appliances from the manufacturers, thereby preventing these from reaching independent outlets."

Yesterday, the Gas Corporation confirmed it was having talks with manufacturers over the supply of own-brand appliances.

Architects still short of work

BY MICHAEL CASSELL

THE RECESSION in the construction industry continues to hit private architectural practices, with new commissions still falling sharply.

Detailed figures from the Royal Institute of British Architects show that there was a further serious decline in architects' workloads in the early part of this year, and the latest indications are that the situation continues to grow worse.

According to RIBA, figures for the first three months of this year show that the slightly more encouraging trend which emerged towards the end of 1974 was put into sharp reverse, with the value of new commissions dropping by a further 10 per cent. over the previous quarter. By the end of March, new commissions were running 31 per cent. below the level recorded a year earlier.

At the same time, work on which production drawings were started fell by 4 per cent., and work abandoned or postponed dropped back slightly from the previous quarter's level.

A RIBA spokesman said that the fall in new commissions was evenly distributed through all categories of work other than for private housing, which showed a significant increase. At the production drawings stage, however, there were marked differences between sectors, with private industrial work almost halved but private and public housing work slightly up.

The actual value of new commissions in the first quarter of this year stood at £740m. against £820m. in the previous quarter and £1.72bn. a year earlier. The value of work stopped was virtually confined to the private housing sector, where the total fell from £180m. in the last quarter of 1974 to £120m.

Labour seeks study into SNP reports

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

LEADERS OF the Labour Party in Scotland claimed yesterday that industrial and monetary policies being prepared by the Scottish National Party for a self-governing Scotland would be "economic suicide."

They are to ask Mr. William Ross, the Scottish Secretary, to conduct an "in depth, expert" assessment of the unemployment implications of SNP policy documents which have been leaked to them.

The Labour Party clearly believe it has been handed a significant propaganda weapon by an anonymous SNP donor who apparently sent Transport House copies of draft proposals on post-independence economic development and financial management policies prepared by a small group of SNP advisers.

The group of nine SNP members in banking, financial and academic circles has been working under the chairmanship of Mr. Douglas Crawford, MP, the party's financial spokesman. Mr. Crawford said that neither document had been discussed by the party's national council or national assembly, far less accepted as official policy. He believes they have been leaked by someone who wished to impede their acceptance by the party.

The documents will be discussed by the SNP national council early next month, and the [...] one, on finance, speculates [on the] likelihood of a "strong Sc[ottish] pound" floating upward a[gainst] an English pound.

It advocates the creation [of a] Scottish Central Bank, exc[hange] exchange rates and the r[...] building societies, inves[tment] and unit trusts in an inde[pend]ent Scotland.

The Labour Party su[ggests] that the policies mean an [...] rum Scotland would lay [...] emphasis on any existing [indus]tries like car assembly, steel and heavy engineeri[ng].

It says the policies also [...] massive mobility of manp[ower] both occupational and [geo]graphical, and would thu[s in]volve relatively severe r[estric]tions on the freedom of i[ndivi]dual workers and employe[rs].

Mr. Tom Fulton, chairma[n of] the Scottish Council of [the] Labour Party, said [...] chauvinistic proposals wou[ld be] a disaster, if impleme[nted]. Thousands of jobs in tradi[tional] Scottish industries woul[d be] jeopardised and markets [worth] millions of pounds in En[gland] would be lost.

More pointedly, he cl[aimed] that the way the document[s had] been prepared and subsequ[ently] leaked suggested a "[...] internal split" between th[e Left] and Right-Wings of the [party] leadership.

Butter and cheese prices up

By Elinor Goodman

THE MAXIMUM price of butter is to go up by 2p a half-pound next Tuesday. Cheese is to go up by 3p a pound.

Both increases reflect the higher prices which manufacturers will be paying for milk following the implementation of the second stage of the EEC farm price review agreed in February.

The rises also reflect the August devaluation of the Green Pound, the rate used for calculating U.K. farm prices in relation to EEC prices.

Prices in the shops will generally remain below the new maximum levels which are set to prevent profiteering on products receiving a Government subsidy.

Diver-training platform to be built in Wales

HANCOCKS SHIPBUILDING Company of Wales is to build the floating platform that will form the key unit in a joint Government and privately run national diver-training centre on Scotland's west coast.

The school will be one of the world's most advanced diver-training complexes and will help Britain's offshore oil industry.

Hancocks is to start immediately on constructing the 30 metres by 20 metres platform at its Pembroke dock. The complete mechanical and electrical systems will be installed before launching the platform for Fort William, Loch Linnhe, where diving gear and other deck installations will be fitted.

The main contract is being carried out by Seaforth Maritime, whose undersea development division is co-ordinating the work. The diving school will have a 675-foot depth capacity and will train in all aspects of deepwater work, including bounce and saturation techniques.

Row likely over Thomson cut-price holidays

BY ARTHUR SANDLES

A ROW is likely to-day between Britain's biggest airline, British Airways, and the nation's biggest tour operator, Thomson, when the airline appears before the Civil Aviation Authority in a bid to stop the tour company from running cut-price Wanderer holidays.

Thomson introduced the Wanderer programme earlier this year in a bid to capture the student market. It offers cheap accommodation, sometimes in dormitories, in Greece, for upwards of £59 for two weeks including flights.

The essence of the scheme is that the holidaymaker re[ceives] vouchers and can then pick [and] choose his accommodation in Greece. The argument ag[ainst] such a scheme is that [the] vouchers are not always used. Wanderer, it is claimed, is [a] package tour.

Last night Mr. Roger D[...], Thomson Holidays' mark[eting] director, said British Air[ways] had "persistently opposed [...] holiday innovations."

He added: "If British Air[ways] win the day it could mean [the] end of Thomson's hopes to ex[tend] the new popular Wanderer [holi]day concept to other Me[diter]ranean countries."

More leaving W. Midlands

A GENERAL migration of people from the West Midlands to the rest of Britain is indicated to-day in a report based on the 1971 census.

The report, released by the Office of Population Censuses and Surveys, said the number leaving the region in 1970 was 17 per cent. up on 1965. During 1970, some 82,250 people left but only 72,030 entered. Greatest net loss was to the South-East.

The flow of immigrants from foreign countries represented 24 per cent. of the total entering the region. Of these, 46 per cent. came from the New Commonwealth, with 14 per cent. from the EEC.

Signs of business revival in Sheffield

A SURVEY of 20 key companies in the Sheffield area suggests the first signs of a business recovery in this industrial conurbation.

Steel companies, although reporting low order books and continuing problems caused by inflation and subsequent de-stocking, show some optimism that the economic upturn may become apparent early next year.

There is also better news from consumer industries, with the Christmas trade promising improved orders for cutlery, handtools and confectionary.

Details are contained to-d[ay in] the first of a quarterly seri[es of] local business opinion su[rveys] by the Sheffield Morning [Tele]graph. The paper believes [it is] the first regular survey o[f its] kind by a Provincial newspa[per].

The investigation did s[how], however, some fears of a [...] slump in the forging indu[stry]. Although forging orders re[main] quite healthy, warning signs [are] showing up in the order b[ooks] and the survey suggests th[e de]pression could hit this se[ctor] early next year.

Jane Austen stamps issue

CHARACTERS from Jane Austen novels are to be featured on four stamps to be issued on October 22, to commemorate the 200th anniversary of her birth, the Post Office said yesterday.

On the 8½p stamp will be Emma and Mr. Woodhouse from Emma; on the 10p, Catherine Morland from Northanger Abbey; on the 11p, Mr. Darcy from Pride and Prejudice; and on the 13p, Mary and Henry Crawford from Mansfield Park.

Selsdon Group defends pay beds

A STRONG independent medical service to complement and counter-balance the National Health Service is needed, the Right-wing Selsdon Group says in a paper by Dr. Max Gammon.

Replying to the Government's proposals for phasing out pay beds from the NHS, the group said yesterday that these would "restrict the availability of medical care independent of the State to a small minority of the population." For the vast majority "it would impose a State monopoly."

Massive expenditure on the NHS has not stopped waiting lists growing or doctors emigrating, the report says. And a "disturbing picture of deterioration in emergency medical services has been emerging in recent months."

Despite free care in the [NHS] and the lack of official encour[age]ment, subscribers to pri[vate] medical insurance schemes [had] increased nearly 20-fold betw[een] 1950 and 1974.

The State was already im[pos]ing conditions on doctors [...] prepared to perform abortio[ns]. The "only guarantee of safet[y] for the public and doctors wa[s a] truly independent sector."

Foot to visit West Germany

MR. MICHAEL FOOT, Em[ploy]ment Secretary, leaves for [the] Federal Republic of Germany [to]morrow for a two-day visit.

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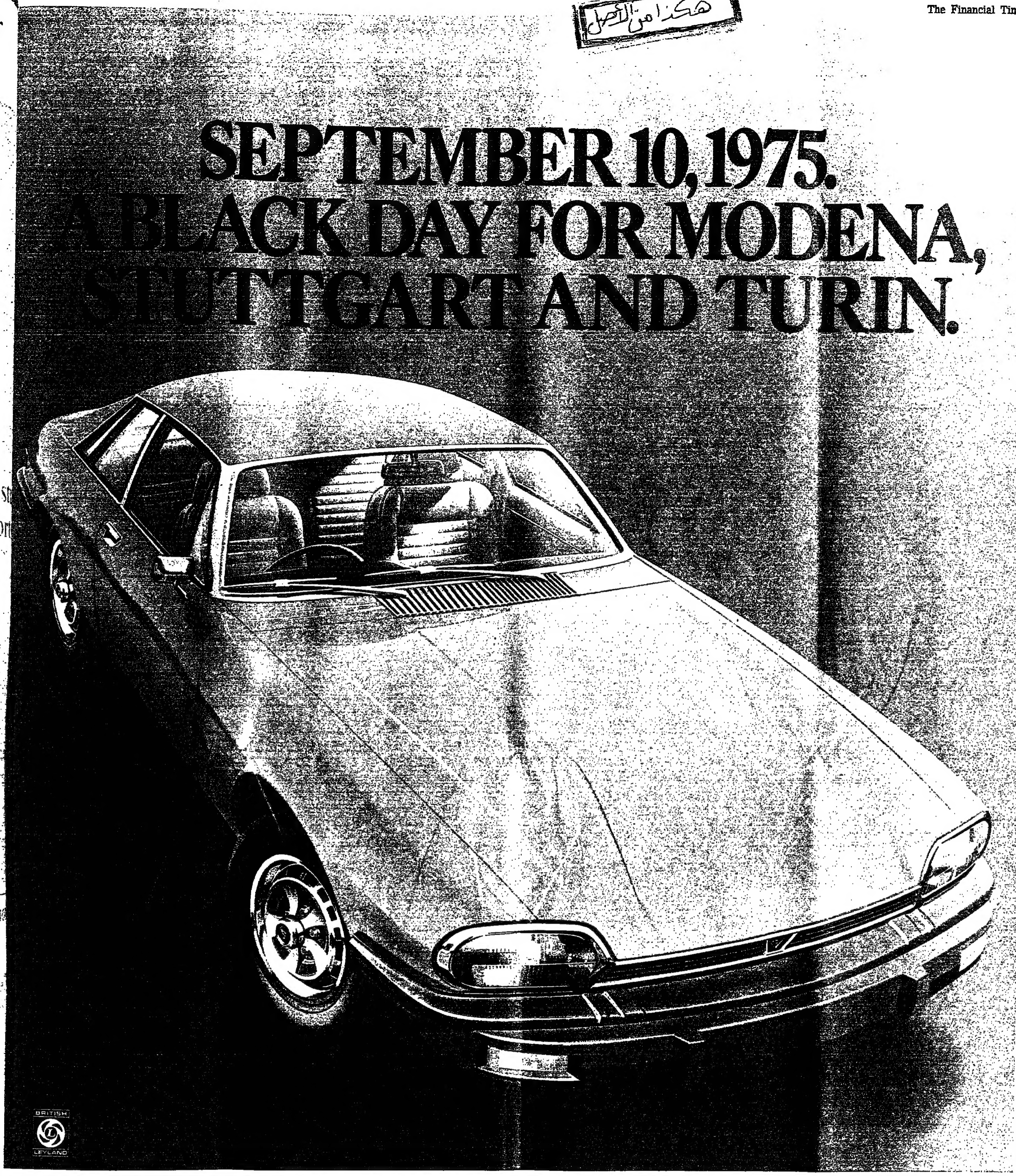


What's good news for Britain has to be bad news for our foreign competitors.

And the best news of this or any other year has to be the Jaguar XJS, the most luxurious, most expensive, most exclusive Jaguar ever produced.

No other car made currently offers a comparable combination of safety, luxury and performance. At anywhere near the price.

Which explains why even now, on its day of introduction, export orders for the XJS are expected to be in excess of £20 million in the first year.

Needless to say, the performance of the XJS is startling.

Zero to sixty takes under seven seconds.

The top speed, where permissible, is in the region of 150 miles-per-hour.

Yet this level of performance is achieved in levels of silence and safety that will astonish and delight you. As will the mpg figures.

Technically, the XJS has many features which are unique to Jaguar.

Which is as it should be, considering that more than five years and £5 million went into the design and production of the XJS.

The quartz halogen biode headlights were designed by Cibie specifically for the performance of the XJS.

The radial tyres were designed by Dunlop specifically for the performance of the XJS.

The five-mile-per-hour "no damage" impact bumpers are the first of their design in Europe.

The aerodynamically designed body has an even lower co-efficient of "drag" than the E-Type.

The seats are of a new and extremely comfortable design.

Whilst at the heart of the XJS is the only electronically fuel injected V.12 engine in volume production anywhere in the world.

The list of technical features is endless and impressive.

As is the list of luxury and safety items fitted as standard equipment.

Air conditioning that will maintain the temperature you select, regardless of outside conditions.

Four-wheel disc brakes, with ventilated discs at the front and a "fail safe" servo system.

Electrically operated windows.

Leather faced seats.

A central door-locking system.

Push button radio with twin speakers and an aerial.

Adjustable steering column.

Power assisted, rack-and-pinion steering.

And so on. And so on.

In short, everything about the XJS-its performance, roadholding, silence, specification-tells you that it has been designed to be the definitive Jaguar.

Which means it is, in almost every way, the definitive high performance luxury car.

September 10, 1975. A black day for Modena, Stuttgart and Turin.

But a great day for British motoring. And for Britain.

The Jaguar XJS

The car everyone dreams of.
But very, very few can ever own.

HOME NEWS

Importers urge easing of Hong Kong textile quotas

BY RHYS DAVID

U.K. TEXTILE importers want the Government to support efforts being made by the Hong Kong authorities to secure a relaxation of recently agreed quotas on knitwear imports into the EEC countries.

An appeal contained in a letter sent to Mr. Eric Varley, Secretary for Industry, by the British Importers' Confederation, follows representations made last week by the National Union of Hosiery and Knitwear Workers to Mr. Varley and Mr. Wilson warning of further problems for the already depressed U.K. knitwear industry if any concessions are made.

The importers claim that a one-off quota is now needed to clear up difficulties created by the implementation in July of a bilateral agreement between the EEC and Hong Kong under the GATT Multi-Fibre Arrangement, restricting growth in the imports of a variety of textile and clothing items.

They say that a backlog of orders placed before the agreement is being held up in Hong Kong and that failure to take up the goods could result in serious unemployment in the colony and loss of reputation by British companies.

Compromise

Hong Kong's negotiators are expected to return to Brussels for talks, probably next week, on the problem with the EEC Commission and an attempt may be made to reach a compromise formula. One possible solution could be for a proportion of next year's quota to be brought forward into this year.

The U.K. textile industry has told the Government, however, that it is against any concessions so soon after the original quota agreement was reached. The industry fears that any concession this year would be used as a precedent for relaxation in subsequent years and that the whole point of the agreement restricting import growth will as a result be lost.

Knitwear industry representatives have also pointed out that in many cases large orders were placed by U.K. importers immediately before the agreement between the EEC and Hong Kong in the hope of beating quotas.

In its letter to Mr. Wilson last week the NUHKW claimed manufacturers in Hong Kong and importers in the U.K. were fully aware of the negotiations taking place with the EEC and that imports for 1975 would be based on those of 1974. "The union cannot accept that this country has any responsibility for abnormal forward production of garments in Hong Kong," it states.

The union said that as many as 7,000 jobs could be lost as a result of further concessions—a claim that is firmly rejected by the importers in their submission.

Redundancy blow at Leicester

By Our Own Correspondent

LEICESTER'S engineering industry, with redundancies already sending the city's percentage of unemployed above the national average, suffered a double blow yesterday.

Bentley Engineering announced that 700 hourly-paid workers were being put on short-time, and 50 employees with Preci-Spark, half of them at the Syston works and the other 25 at Wadebridge, Cornwall, have been made redundant.

An AUEW spokesman with Bentley, part of the Sears Holding Group, said management had given the reason for having to introduce a four-day week at two of their Leicester factories as "over-stocking of parts."

Preci-Spark, the engineering and plastics company, which employs 300, says the 50 people laid off are unskilled workers. The company makes components for the aero-space and communication industries.

Brocks firework factory at Swaffham, Norfolk, announced yesterday that 40 people—two-thirds of the work-force — will lose their jobs at the end of the month because of a slump in home and overseas orders.

Concorde nears end of flight tests

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

CONCORDE is moving towards the final stages of its long flight test programme.

The British-assembled aircraft, No. 4, has completed the North Atlantic section of its route endurance flying, with over 300 hours to date, and is making a further series of Middle Eastern flights to complete the remaining 140 hours of flying required.

The eight Concordes built to date—including the two prototypes, which having completed their share of the test programme, are grounded—had together by the end of August logged 5,159 hours of flying, in 2,323 flights, of which 1,814 hours were supersonic flying.

Last week-end Concorde No. 4, which on September 1 became the first aircraft to make four crossings of the North Atlantic in one day, repeated the performance, crossing four times on Saturday and four on Sunday.

One example of what the supersonic era is likely to mean for a businessman was given on Sunday by Mr. John Britten, managing director of Britten-Norman, the Isle of Wight light aircraft manufacturer.

He took off from Heathrow for Gander at breakfast time, and returned six hours later with a $400,000 export contract in his briefcase.

After signing the contract for two Britten-Norman Islander aircraft, Mr. Britten held talks on "extremely promising" sales prospects in Canada before returning to London.

Minister will hear views at two regional airports

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

MR. STANLEY CLINTON DAVIS, Parliamentary Under-Secretary for Companies, Aviation and Shipping, is to visit two of Britain's main regional airports, Liverpool and Leeds/Bradford, to-day. It is part of the Government's review of regional airport development.

He will hear the views of airport owners, airlines and trades unions on future development. This is the fifth visit by a Minister to regional airports, aimed at gathering information for a long-term plan.

Mr. Peter Shore, Secretary for Trade, has said that he intends to publish two documents—one in October on the general issue of future traffic and the possibility of diverting traffic from London, and the second next year on the outlook for specific regional airports.

The final policy will be based on the consultations arising from those two documents.

Reuters opens Money News Monitor

A NEWS RETRIEVAL service enabling foreign exchange dealers to receive, at the touch of a button, main points of news affecting the world money markets has been introduced by Reuters. The system, known as the Reuter Monitor Money News Service, has been developed as part of the Reuter Monitor service. This provides dealers with money rates contributed by leading banks and finanacial institutions.

The service provides up-to-the-minute news on the international money markets. It includes major political, economic and specialist financial information likely to affect trends and sentiment on these markets.

By selecting the headline pages, a subscriber can scan the latest news developments at the same time as dealing or talking on the telephone. A full version of each story is also available through the same unit by selecting codes listed against each headline.

An "alert" code draws attention to spot news items of particular importance. Constantly updated statistical pages showing the latest indicators of market and monetary performance are also availble.

Air travellers' views sought

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

by Michael Donne, Aerspce Corr.
IN AN ATTEMPT to improve the flow of views from passengers on problems relating to Heathrow Airport, the airport's Consultative Committee has set up a small passenger services group which includes several members of the public.

A housewife (Mrs. S. Bond), a consultant surgeon (Mr. R. Maclachlan), a research officer (Mr. J. Clayphon) and a businesswoman (Mrs. G. Wilder) have been appointed to serve for two years on this group, following advertisements seeking "air travellers with opinions."

More than 400 people answered the advertisements, and the applications were examined by the chairman of the Heathrow Airport Consultative Committee (Mr. Douglas Eden), the vice-chairman (Mr. Kenneth Runnicles) and the airport director, Mr. Kenneth Walter.

The four new members will join six members of the main Consultative Committee who represent the interests of organisations in industry, unions, consumers, trade, commerce and travel.

FT conference on North Sea financing

A CONFERENCE, Financing the North Sea Supply Industries, organised by the Financial Times, with the Norwegian Journal of Commerce and Shipping and the Oil Daily as co-sponsors, will be held in London at the Royal Lancaster Hotel, on October 8 and 9.

Mr. P. D. Gaffney, a partner in Gaffney Cline Asociates, will be chairman. Speakers include Mr. John Mowat, general manager (Corporate Finance) Royal Bank of Scotland; Mr. Stein Wessel-Aas, manager of finance, Saga Petroleum; Mr. William Gold, chief executive, Dundee Harbour Trust; Mr. Quentin Morris, group finance co-ordinator, British Petroleum; Mr. G. K. Elliott, executive director, S. G. Warburg and Company; Mr. Peter Emery, MP, director, Shenley Trust.

Wine from Lincoln

THE FIRST harvest from what is claimed to be the world's most northern vineyard — in the grounds of the Bishop's Palace at Lincoln—will start to-morrow. The vineyard was planted in 1972 with 300 vines presented by Lincoln's twin city, Neustadt in the Rhineland.

Because of the fine summer, there are hopes of a bumper crop. About 150 litres of wine are expected from the grapes, and it will be used to cut the cost of civic functions.

Drug distribution costs 'cheapest in Sweden'

BY DAVID FISHLOCK, SCIENCE EDITOR

DRUG DISTRIBUTION probably costs less in Sweden than in any other country, because its State-owned retail organisation, the National Corporation of Swedish Pharmacies (Apoteksbolaget), also owns wholesalers supplying about 70 per cent. of their drugs, the Pharmaceutical Society's annual conference at Norwich was told yesterday.

Explaining Sweden's re-organisation of its pharmaceutical services, Dr. Rune Lonngren, Apoteksbolaget's chairman, said one of the main reasons for setting up the company in 1971 had been to promote greater integration between retailing and wholesaling.

All 600 Swedish pharmacies trading in 1971 were bought up by the company at a cost of about £21m. To-day, there were about 700 pharmacies but drug prices had risen less than prices generally.

Last year, the company dispensed 41m. prescriptions, and its turnover amounted to £220m. But the pharmacies sold relatively few items other than drugs and hygiene preparations such as toothpaste, skin creams, contraceptives and baby-care products.

The company's aim was to deal in high-quality merchandise and it was strongly placed in its dealings with wholesalers to offer high-class quality at low prices. It still dealt with two independent wholesale companies for three-tenths of the items it sold.

"As far as the economic outcome of our activities is concerned, we had a loss the first year due to extraordinary costs and we paid no dividends to the stock holders, but each of the years 1972, 1973 and 1974 has given a surplus, and dividends have been paid."

Under its contract with the Swedish Government, the company agreed to provide the public and the health and medical institutions with the best service consistent with keeping drug costs at a justifiable level, and to charge uniform prices for drugs throughout Sweden.

It was also entrusted with determining the extent to which pharmacies and drug stores should operate and their location.

Fears of 10% oil price rise

BY JAMES McDONALD, SHIPPING CORRESPONDENT

ALTHOUGH FEARS of increases of about 35 per cent. in the price of oil by the producers in the autumn can be discounted, it is thought that increases could reach 10 per cent., "adversely affecting both industrial output and international trade and suppressing seaborne movement of goods even further," says Eggar, Forrester, the London shipbrokers, in their latest sale and purchase report.

"The accumulating problems of the tanker market together with the generally weaker market for large bulk carriers is on the whole discouraging," the report adds.

Not all sections of the shipping market, however, take a pessimistic view, and the report records "brisk trading in the ship sale and purchase market, together with several sales of good class bulk carriers and further deals under negotiation."

Dry cargo tonnage is al[...] demand with vessels in [...] supply, and prices maintai[...] healthy levels.

Car output down 30% in August

By Peter Foster

U.K. car and comme[...] vehicle output continue[...] fall last month in the wa[...] sluggish demand at home [...] abroad.

According to provi[...] figures issued yesterday b[...] Department of Industry [...] production in the four [...] ending August 23 [...] 79,000, about 30 per cent. [...] August 1974.

Commercial vehicle [...] during the same perio[...] 20,500 units, was 19 per [...] below August last year. [...] the first eight months of [...] car production was 21 per [...] below the same period [...] while commercial vehicle [...] put was down 1 per cent.

On a seasonally ad[...] basis car output last [...] was 20 per cent. below th[...] average and comm[...] vehicle output down [...]

£3m. bypass for Perth approved

THE TREASURY has [...] the £3m. southern byp[...] Perth, which will conn[...] M90 to the A9 Perth [...] road. The Scottish Dev[...] Department will shortly [...] contract out to tender [...] should start in May or [...]

This was announced [...] in Dundee by Mr. Jame[...] convener of Tayside Ro[...] Transport Committee.

Work costing abo[...] financed by the Govern[...] in hand on Tayside tru[...] and oil-related routes [...] in Perth and Kinross.

A section of a Dund[...] dual carriageway road [...] £500,000 will be open[...] Sunday.

Mr. Alex Mollison [...] director of roads, [...] within the next five yea[...] worth of projects wa[...] grammed," and [...] £13.25m. worth would [...] Of 90 miles of new [...] proved roads, much [...] the A9.

Traffic polic[...] 'threatens motor jobs'

ABOUT 2m. jobs in th[...] and allied industries c[...] affected if the present [...] policies of many local au[...] continued, Sir Clive [...] RAC chairman warn[...] Sheffield yesterday.

Sir Clive, who was a[...] the opening of a new R[...] quarters, said the RAC [...] the need for improve[...] public transport systems [...] urban areas, and [...] reasonable measures to [...] more customers.

But the nation must a[...] implications of the anti-[...] policies designed to pre[...] use of cars. "The pro[...] the motor industry mus[...] depend on the public de[...] new cars," he said.

He added: "The Gov[...] cannot justifiably go on [...] more and more tax [...] motorist while at the sa[...] pursuing policies whi[...] enable cars to be used [...] less."

Fuel crisis c[...] traffic grow[...]

THE FUEL crisis has co[...] to restrict road traffic [...] according to Department [...] Environment statistics. [...] the second quarter of [...] up about 1 per cent. on [...] period last year, but sti[...] cent. below the 1973 pea[...]

Until 1973 traffic had [...] growing at about 5 per [...] year. The resurgence of [...] cycles, mopeds and scoote[...] began in 1973 continued [...] second quarter of 197[...] vehicle-miles up 16 per [...]

BP centre for Wetherb[...]

BRITISH PETROLEUM' [...] move the distribution ce[...] its educational informati[...] vice from Surrey to We[...] Yorkshire in mid-October.

The service claims a g[...] demand from teacher[...] educational information [...] oil, chemical and [...] industries and particular[...] information on North S[...] developments.

Expansion at Rotaprint

A £300,000 expansion progr[...] announced by Rotaprint at [...] ington, Co. Durham, will [...] 200 new jobs.

A 70,000-square-foot facto[...] due to be completed next [...] and production will start [...] The company, which moved [...] Washington last year, [...] employs 50 and is expanding [...] meet increased demand for [...] range of printing and dupl[...] machines.

FINANCIAL TIMES SURVEY

Wednesday September 10 1975

Greater Manchester

The metropolitan authority looking after Greater Manchester is bubbling with ideas for improving the area. But many of these are having to be shelved although local leaders are looking positively at what can be done during the recession.

Waiting for better times

THE SIX provincial metropolitan county councils which were created 18 months ago to give a new dimension in local government to the great industrial conurbations of England are in better shape than might be expected, considering the strong opposition to their establishment and the rough ride they have had ever since. But they know that their real test lies ahead.

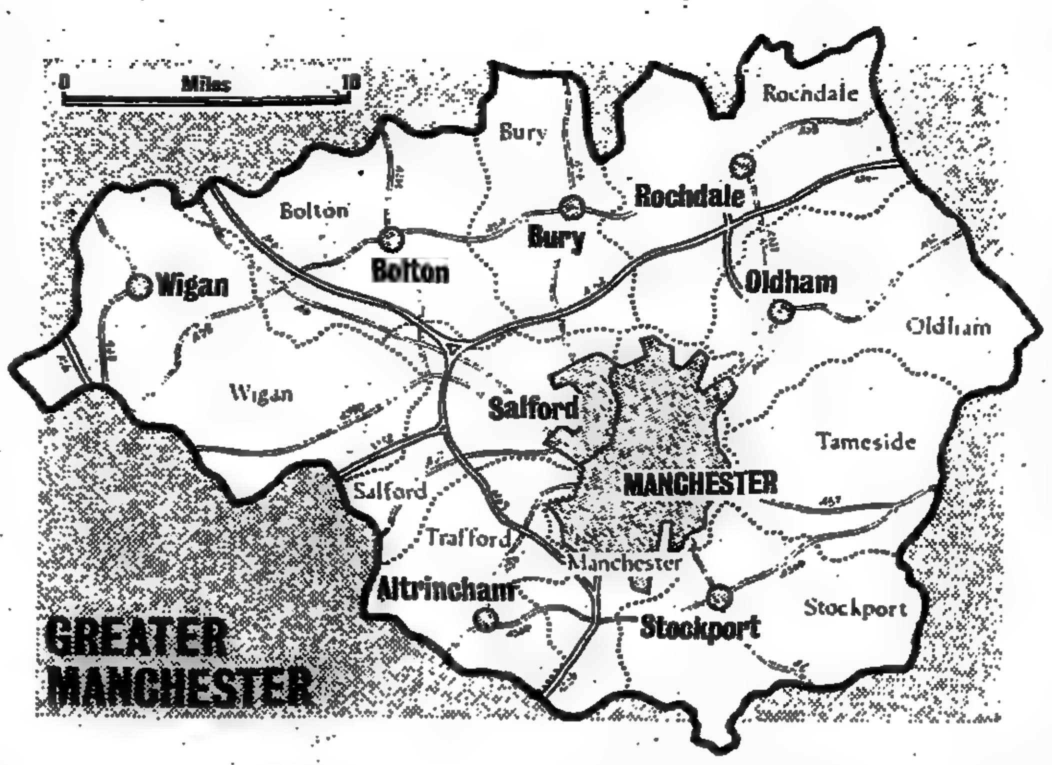
Mr. Anthony Crosland the Environment Secretary, again last week went to some trouble to spell out that nothing short of a standstill in local authority spending will satisfy the government. Nothing could be more calculated to dash the hopes and aspirations of the new metropolitan counties. For they have little direct contact with people in the cosy way traditional to local government. Rather, their functions are in the thin clear air of thought and planning about the future of industrial England. How towns and cities should be inter-linked. How industry should be encouraged and distributed. How adjacent communities can be cajoled to work together to give more than the sum of their parts in terms of a better environment and greater prosperity. It is all heady stuff and necessary if Britain is to shake off the worst legacies of the 19th Century industrial sprawl before the 21st Century arrives. It is also work that is highly vulnerable to criticism as irrelevant or a waste of money during the present recession.

The Greater Manchester metropolitan authority which has settled into workmanlike headquarters on Manchester's Piccadilly to represent 2,700,000 people living in ten industrial districts around, is bubbling with ideas for improving what is, after all, one of England's grimy areas. But one by one these schemes are being shelved with audible sighs of regret to await better days to come. Sir George Ogden, chief executive of the new county, looks on the bright side saying "We can perform the basic jobs that we were created to do in spite of the cut-back." Indeed even a recession can produce some fringe benefits. The council's responsibility for police and transportation is being made easier by the many willing recruits now coming forward for jobs in these two areas of public service which have been so chronically understaffed. The new council criterion for staffing henceforth is, of course, the ability to find the money to pay wages.

While the planners have to become used to marking time some useful work can be done. As an instance, the metropolitan county inherited the deathbed dreams of glory of some 40 former local authorities in the form of more than 300 road schemes. Greater Manchester County which is now well served with east-west and north-south motorways certainly needs some more local roads and ring roads. But the bundle of cherished schemes will be the better for the massive pruning operation now being carried out on it.

Tunnel

The centre-piece for a county-wide transportation plan has been, and is, the Pic-Vic Line which is to be an underground rail link under central Manchester to enable through trains to operate from the farthest edges of the county bringing the former Lancashire and Cheshire industrial areas into much closer contact. The tunnel will not now be built for several years to come at best. The county hopes that enough money can be found to gradually upgrade the trains and facilities at present operating in its area to the standards needed. The tunnel would then be the final investment of a long-term scheme.



Unemployment is much less severe in the Greater Manchester area than in nearby Merseyside. The industrial economy of Manchester and the surrounding towns is traditionally less volatile than many other parts of Britain and the pattern is being upheld this year. But there is no cause for complacency. The county has more than its share of aged industrial plant and industrial dereliction. If new activities are to be attracted to the area the county authority, and the North-West Industrial Development Association, recognise that high quality new sites are necessary. Few businesses are prepared to settle down among the debris of a former industry. But some sites can be saved. Co-operation between industry and the local authorities to regenerate the Trafford Park industrial estate —which used to be one of the largest industrial concentrations in the world before it went into decline—has had happy results.

A great deal more could be done by the authorities to reclaim industrial land, slag heaps, and the like. But unhappily that kind of work costs more money than is likely to be available during the next year or two. The reclamation of industrial land has been a popular activity in the North-West for several years past, spurred by special drives such as Operation Eyesore. But a point perhaps imperfectly appreciated during the fervour of the clean-up was that reclaimed land costs money to look after unless it can be passed on at once to industry or farming. Manchester City was recently spending £600,000 a year simply maintaining such land.

The Manchester metropolitan county gives a new view to the old concept of King Cotton reigning over Lancashire. Manchester county embraces some of the most important towns associated with the industry such as Oldham, Wigan, Rochdale and Stockport. The county has been described as a vast mill town, and although that is unfair to its many other activities including food, engineering, aircraft, and the port, well over half the region's textile activity is, in fact, within the new county. That includes spinning, weaving, bleaching, dyeing, and finishing, together with garment manufacture.

Profitable

The old merchant convertor, a phenomenon peculiar to the Lancashire trade brought together the production capacities of the mills. To-day a new breed of convertor is emerging in the Manchester area long after many people had written off the breed. The modern merchant convertor operates, however, on the world market and may well buy fibre in one country, process it in another and have it made into fabric in a third. For a few companies this is proving to be a highly profitable business. These new entrepreneurs of the textile trade do not automatically ship to Manchester or use the many city centre warehouses in the way the trade use to operate. Their trading tends to be direct from mill to consumer on a world scale. But their activity is ensuring that Manchester remains a major international trading and manufacturing textiles centre.

Textiles react sharply to the capricious currents of the world economy and if the Manchester area relied upon them in the way it used to there would be deep depression thereabouts today. But engineering is now the dominant local industry and the wide spread of engineering activity in the area has had an insulating effect. Some other industries based in the area are doing markedly better than the national average. Imperial Chemical Industries Organics Division is based in Greater Manchester and its managers remain "unshakeably optimistic about the future." John Rigg, chairman of the division, said: "There are already signs that many of our overseas markets are pulling out of recession conditions. And we are ready to benefit from the recovery."

The latest government-backed strategic study of the North West promoted a controversial idea for concentrating upon high economic growth along the Mersey Belt—roughly between Liverpool and Manchester. Although that concept may well be modified, the two metropolitan counties of Greater Manchester and Merseyside now adjoining one another do appear to be reinforcing each other into a strong economic unit which will be well equipped to take advantages of opportunities when the national economy responds.

Roy Hodson
Regions Editor

Financial centre

THERE ARE parts of central Manchester that look and feel like the City of London. The names emblazoned on the fronts of smart new office buildings include all the important ones and many more in the field of banking, finance and insurance and there are whole streets in the city's heart that contain nothing but banks, finance houses, building societies, insurance brokers, stock brokers and accountants.

The growth of Manchester as the undoubted second city of Britain in terms of the financial community seems to have taken some of the city dwellers by surprise and rather than thinking of Manchester's importance in this sector of the commercial world as something born from within, they put the growth down to the general trend towards decentralisation that brought the office boom to Manchester, notably in the 1960s.

Certainly it is true that if one is thinking in terms of decentralisation and regional headquarters operations, the logical capital and centre of the north must be Manchester. After all, though it may not be a very meaningful statistic, it can be pointed out that 40 per cent. of the population of the U.K. lives within a 50-mile radius of Manchester. And it is certainly true that in terms of banking and finance, this city has acquired more importance than, say, Birmingham, though it is not enough to say this is as much a function of distance as anything else. Nor is it right to think of the city's importance in the financial world as something new.

The Bank of England established a branch in Manchester in 1826—and now occupies one of those smart new buildings which have become such a feature of the city's central landscape—and England's first provincial clearing house opened in Manchester in 1872. The fact is that Manchester has been a national centre of industry and commerce, as well as a regional centre of administration, for hundreds of years, and the great enterprise shown at the end of the last century which led to the creation of a major port in an inland city through the building of the Ship Canal brought an international trading importance that set the seal on the "capital of the north" claim.

Traditionally, too, Manchester's larger financial institutions were home grown and not necessarily London branches. Before the spate of banking mergers and amalgamations, for instance, Manchester held the head offices of three banks—Williams and Deacon's, now part of Williams and Glyn's; the District Bank, now part of the National Westminster group; and the Co-operative Bank, which is still going from strength to strength in its own right.

Barclays, Lloyds, Midland and National Westminster all have large regional headquarters in Manchester, and apart from their obvious role in the industrial and commercial life of Greater Manchester's 2.72m. people, the presence of both the ports of Manchester and Liverpool has given them a particular emphasis and expertise in overseas business transactions. The Bank of England also has an Exchange Control Section at its Manchester branch.

The importance of overseas business and international trade has been especially emphasised in recent years by the number of overseas banking operations that have moved into the city. Among those represented now are the Bank of America National Trust and Savings, Bank of Europe, Bank of India, Bank of West Africa, Burston and Texas Commerce Bank, Hongkong and Shanghai Bank, National Bank of Pakistan, Societe Generale, and the Swiss Israel Trade Bank.

Advanced

Back on the home front, of special local importance is Williams and Glyn's, partly because of the early local connections. For this—Britain's fifth largest clearing bank—Manchester remains an area of special significance, and one of the bank's strongest.

However, the Co-operative Bank, as the only bank with its headquarters outside London, deserves special mention. This wholly-owned subsidiary of the Co-operative Wholesale Society has advanced significantly in its 103 years of operation, and is known for its useful facilities for shoppers through major Co-op store banking points, its pioneering of the free current account concept for credit customers, and the payment of interest on the day-to-day credit balance retained on personal accounts.

What is not so well known is that the Co-operative Bank has cornered a large share of the local authority market, and is now handling about one sixth of this business. Next month the bank, which has just opened a new branch in the City of London at Cornhill, accedes to clearing bank status—the first bank to join the "magic circle" in 36 years.

Computer

The Co-operative Bank is one of those organisations that have helped to give Manchester its reputation as a business computer centre. The bank bases its computer operations in the city, the National Computing Centre is here—there are a number of service bureaux—and Barclays have a computer centre at Wythenshawe.

The Trustee Savings Bank Training Centre set up in Manchester five years ago principally to train people in the conversion from handwritten to computer based systems, has broadened the scope of its courses over the years, and is now, for instance, dealing with general banking topics, with evening classes geared to the professional exams. A recent innovation was born out of a desire for TSB managers to expand their knowledge of other financial institutions. The Managers are now taking part in a stocks and shares "game" with the training centre acting as broker. The idea is to make the most profit consistent with safety in a 12 month period.

The Northern Unit of the Stock Exchange, based in Manchester, is to provide the judges. This unit now has 122 members, including associates, and 16 member firms, including two jobbers. Last year in this survey we spoke of mergers, depressed market conditions and a staff cutback programme, and it is interesting in the present climate to hear the unit talking more cheerfully this year. The effects of those cutbacks are really being felt in an adverse way by some members now, and Henry Cooke Lumsden have recently added new partners, while in some instances staff are being recalled and new recruiting is being undertaken.

On the insurance front, Manchester is probably the most important centre outside London, with the head offices of the Refuge Group and the Co-operative Insurance Society. The great engineering industry complexes of Greater Manchester have led to the city becoming the centre for engineering insurance, and there is a considerable marine market stemming from the port activity and the proximity of Liverpool, itself an important insurance centre.

Of the other financial institutions, the merchant banks have a large representation Manchester, including a bran of the National Westminster County Bank, as well as nam like N. M. Rothschild and Sc Hill Samuel, Slater Walk Securities, and Singer and Frie lander.

This combination of clear banks, merchant banks, ins ance companies, overseas fin cial representations and all other financially oriented org isations in and around this confirm Manchester as Brit second financial centre. In te of employment this sector Greater Manchester's comm cial life is important too, the latest figures available ing insurance, banking, fina and business services rank 12th in a league table of ployer groups for men, and for women. The group moved significantly up league table in the past 15 ye reflecting its increasing imp ance.

Hugh Co

Two faces of industry

IT WOULD be possible for two independent observers to investigate the fortunes of Greater Manchester's industry and emerge with entirely different reports, one painting a picture of decline and unemployment, and the other a portrait of prosperity and expansion. In Greater Manchester it all depends where you go and to whom you talk.

The area's image to the outside world seems to reflect this split personality. Evidence on the one hand talks of a textile industry in decline, the virtual loss of the mining industry, and problems of industrial dereliction; on the other, of the county's huge and prosperous engineering interests, the tremendous diversity of its economy, the great success of its port.

The true, balanced picture is, of course, neither one of total gloss nor absolute gloom. Greater Manchester's industrial face takes on many different expressions and there are clear characteristics in particular areas.

In broad terms one can identify a prosperous belt running through Altrincham, Stockport and Hyde where there is growth in employment terms and where, in common with Manchester city centre, there has been a great deal of office development to produce an employment balance. There is the county's central area which, apart from the inner city zone, is experiencing a rapid and serious decline in jobs.

Again, one can point to the northern belt of textile towns like Bolton, Bury, Rochdale and Oldham, which have suffered most from the textile decline, where the office boom has not happened and where employment figures tend to be bad. And finally there is the north west area around Wigan, the traditional coal mining territory, where the county's unemployment problems are at their most severe.

A breakdown of that kind identifies only one relatively small area of the county as in any way reflecting the image of the great industrial centre based on a city second only to London in national importance. Yet there is no doubt in the mind of the visitor that Manchester city is prosperous, and it would be hard to convince a visitor to the great industrial complex at Trafford Park—one of the biggest in Europe—that he was in an area of anything but industrial success.

Decline

Yet, Manchester is the classic example of a place that started an industrial revolution and has inevitably taken longer than those that came along afterwards to clear away the trappings of the early growth. Equally, such a great decline in the major industry—textiles—that spurred that revolution could not have been predicted. Yet it would be a mistake to look only at the price Manchester is now paying for its industrial leadership of the past. There is plenty of industrial leadership to-day.

Greater Manchester, with its engineering, chemicals and electronics interests perhaps most obvious, is an outstanding example of the good sense of industrial diversification. Unlike so many areas that have blossomed in times of good fortune, Manchester is not dominated by one type of industry or by a few huge employers. There are many large employers operating in a great variety of fields. Kelloggs has one of the biggest food factories in the world, ICI has major plants in the area, Renold bases its large power transmission business here, and the household names go on through a wide variety of products—Massey-Ferguson, ICI, Ferranti, Hawker Siddeley, Carborundum, Ciba-Geigy, Chloride, BICC, Platt, Turner and Newall, Burmah, Shell, and Dunlop, to mention just a few.

While it has been said that when the national economy sneezes Manchester catches a cold, it is really only those specially sensitive areas that are seriously affected. Alan Mack, Director of the Chamber of Commerce and Industry, summed up what seems to be a general feeling around Manchester when he said that the area's reaction to the present recession was dominated by a tremendous will to survive. The stubbornness shown by the textile industry in its fight for survival is apparent in other industries too.

For the future, Greater Manchester's preoccupations from an industrial development point of view are likely to be concerned with achieving the right balances—between manufacturing and service employment, and between the green field site opportunities opened up by the new motorways and the need to solve the dereliction problem left behind by the declining industries.

One of the first things that Chris Turner, the Greater Manchester Council's Principal Planning Officer with special responsibilities for the Structure Plan, will point out when discussing the economy of the area is the fact that between 1959 and 1972 the Greater Manchester economy saw a loss of 100,000 jobs (86,000 of them male), a drop of 8 per cent. Fortunately for the area, there was also a fair amount of migration and great growth in service employment, partly through the officer development boom.

What is odd, however, is that there is no clear reason for the drastic loss of jobs. It cannot, says Chris Turner, be explained by the composition of the local economy, which is not dominated by industries in national decline. Unemployment has certainly jumped significantly in the last 12 months—from 2.8 to 4.6 per cent. in Manchester itself, from 1.6 to 4.0 per cent. in Bury, from 3.0 to 5.5 per cent. in Leigh, and from 4.1 to 6.7 per cent. in Wigan.

From a Structure Plan point of view, although the of Greater Manchester is Intermediate Area, past regional policies tended to courage potential growth to move to other parts of North West, particularly new towns. Another lem is obsolescent indus premises—it is estimated 35 per cent. of all indus buildings in the county built prior to 1914.

There is, of course, still potential in industrial Chris Turner points out there are many large, sites in the north of the co on old textile property green fields. The motorway is most advanced in the of the area and one view this should be used as the ing point to encourage on the green field sites. other hand this could under the possibility of regenera elsewhere—so necessary for vironmental and social reas The GMC has not yet form its views on this dilemma, there are those who are in doubt.

One such is Norman Mo leader of the Labour-contro Manchester City Council chairman of the Greater chester Industrial Develop Association. Talking of his cern over the decline in engineering in the city and need to attract productive in try and not just commerce warehousing he says: " population is here. Why sh they travel to work on sites? We are at the centr the communications net any Let the companies come her

Diverse

The Industrial Developm Officer of the city—now one the GMC districts—follows same line, spending his t attempting to bring plots land together in the city. claim them where necess and attract industry. J Hadwen points out that colleagues in the centres Bolton, Rochdale, Bury a Wigan all have plenty of sp even if the city does fill again, and this seems to ar towards the view that it wo be wrong to develop new gre field areas and leave the tra tional industrial areas w their dereliction problems.

Apart from its great ind trial tradition, the already v diverse nature of its indust and its key position commu cations-wise, Greater M chester has qualities which w see it through the present rec sion less scathed than oth places, and industrialists se certain that the same qualit will ensure recovery from t textile decline and the result unemployment.

Hugh Colv

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Airport reckons on thriving future

ONE OF the biggest single investments in the 37 years' history of Manchester Airport—a £10m. programme of terminal developments completed early last year—was planned to raise passenger-handling capacity to a potential 5m. a year, which was expected to be reached by 1982. In the event, operational experience quickly proved so effective and well-planned that sights are now being raised to a potential handling capacity of 8m. passengers a year.

Manchester Airport—known locally as Ringway but currently the focus of determined efforts to establish it finally and definitively as Manchester International Airport—is the biggest and busiest outside South-East England. It has earned a reputation for being a progressive and forward-looking enterprise. It also stands as proof and vindication, if they were needed, of the vision and ability of much-criticised local government to run a sizeable undertaking with commercial style and efficiency backed by far-sighted planning and continuing investment.

The economic climate is hardly conducive to further spectacular growth at the present time, but with the latest terminal expansion Manchester looks beyond short-term problems and shows its faith, like the rest of the civil aviation industry, in a future of steadily rising traffic volumes. By 1980 it believes it could be dealing with passenger flows of 4,500 at peak hours—a figure the airport authority is quick to point out corresponds precisely to the total number of passengers using Ringway in the last full year before the Second World War.

Included in the extensions is a long-haul pier capable of taking four Boeing 747 jumbo jets plus one Boeing 707/VC10 aircraft, or alternatively seven 707/VC10 aircraft in nose-in positions. A multi-storey car park provides space for nearly 2,500 cars and a new booking hall spanning 400 feet by 80 feet has a capacity of up to 50 check-in desks. Additionally, there is an extended concourse, a new international baggage sorting and claim area, a new immigration hall and other improvements.

Stretched

The unprecedented growth in air traffic since the war has meant that facilities have often become stretched and inadequate within a relatively short period of their introduction. This is certainly true of Manchester. It had become clear by 1968 that new terminal buildings, opened only six years earlier when traffic had reached just over 1m. passengers a year, would be totally insufficient to cope with the new generation of high-capacity aircraft represented by the jumbo jet. Against this continuing background of rapid change it was no more than prudent when the then chairman of Manchester Airport Committee said at last year's opening of the latest £10m. extensions: "Now we have to start thinking about what we are going to do after 1985."

In 1973 Manchester recorded nearly 66,500 aircraft movements and just short of 2,727,000 passengers, a new peak. In the first half of this year movements totalled just over 28,000 and 1,143,000 passengers. But both represented an improvement on the corresponding period of last year—movements were up by 2 per cent., passengers by 4 per cent. There was a 2 per cent. drop in traffic on scheduled services to 672,000 passengers, but inclusive tours traffic (411,000) showed a gain of 11 per cent. and charters (59,500) a "staggering" jump of 52 per cent.

One of the airport's strongest selling points is its geographical accessibility, an advantage strengthened by the now advanced stage of development of the region's excellent motorway network. With a direct link to junction 5 of the M56 North Cheshire motorway, the airport claims to be the only drive-in terminal in the United Kingdom with a direct motorway connection. Locally, further road improvements yet to be carried out will cut the journey time from city centre to airport, 10 miles distant, to 15 minutes. But if Manchester Airport preaches anything it is that it is a regional, not a local, airport. It claims that most of the 18m. people in its catchment area can be found within an hour's drive of the airport and that 45 per cent. of British industry is based in the area. Few airports can have more modern communications or faster access to the national motorway system.

Yet last year, without warning, it was recommended that Manchester Airport should be closed down together with those at Liverpool and Blackpool. In their place, suggested a private consulting group working for the Civil Aviation Authority, should be a major new airport on a greenfield site in North Cheshire on which regional services could be concentrated. The idea was attacked as unrealistic and a consultants' estimate that the new regional airport could be built for rather less than £28m. was dismissed by Manchester as "ridiculous."

This year the recommendation was rejected by the CAA which instead proposed that Manchester and Birmingham should be the major international airports serving central England. Additionally, in the case of Manchester, the operation of long-haul services should be encouraged there in preference to other airports "for some years to come." Even though the Government has yet to pronounce on the CAA's recommendations Manchester's confidence has been boosted by findings which it sees as supporting its long-standing case for the building of a 10,500 feet second main runway. There is support, too, from local industry and commerce, but the issue remains an environmentally sensitive one.

Great deal

In putting forward the idea of a brand new greenfield airport for the North-West the CAA's private consultants claimed that Manchester Airport had the greatest environmental problems. The airport authority's reply is that it has done a great deal by way of noise insulation grants and a sophisticated noise monitoring system. It also argues that quieter aircraft will go a long way toward solving the problem permanently over the next few years.

Manchester's case is that a second main runway is vital to the airport's reliability and regularity of operation; without one, it might have to close down for as long as a year by 1980-81 because of the need to carry out major work on the existing runway, which has a section dating back to wartime. A public inquiry into the authority's application for planning permission now seems likely to come early next year. Meanwhile, with continuing inflation, the cost of the project including land acquisition has probably risen to around £20m.

If the Government is serious in the wake of Maplin about easing congestion at London Airport by encouraging the development of regional airports, then an established and successful airport like Manchester—that rare bird among regional airports, a consistent money-maker for 17 years but temporarily in the red because of its latest commitment to expansion—must have an outstanding claim to a sizeable share of that decentralisation.

It has further expansion plans for the future, given support and the right economic climate. They include a cargo terminal (definitely not the right time at present), a second multi-storey car park, possibly a special pier for charter operations. At the same time local industry and commerce would like to see more direct Continental and North American flights from Manchester. It is a familiar plea. British Airways (with its Super 1-11 operations based on Manchester and running the airport's biggest network) has led the way. Yet any true Northerner would be entitled to ask—that is, if the spirit of regionalism means anything—why there has to be quite so much interlining and such a disproportionate dependence on the South-East. "But then," said one Ringway man, "if you're talking about more direct flights you're talking about a chicken-and-egg situation. Which comes first—the flight or the demand for it?"

Tom Heaney

Canal and port a key system

IF THE HISTORIAN is asked to pick a single development in the past as a key to Manchester's present importance as an industrial and commercial centre he will undoubtedly point to the construction of the Manchester Ship Canal. The Canal, opened on New Year's Day, 1894, to convert an inland city into a port, was an inspired piece of planning and the sudden ability that it gave the city and surrounding industrial areas to avoid the then heavy railway and port charges is still a key element in the attraction of new industry to the area, as well as the continued success of that already established.

Owned and operated by the Manchester Ship Canal Company, the port, with its canal running for 36 miles from the deep water of the Mersey estuary through docks at Ellesmere Port, Runcorn and Manchester, as well as through many other special harbour and cargo handling facilities along the way, remains one of Britain's most viable and successful enterprises.

The total volume of trade through the port last year was 17.37m. tonnes, an increase of 685,000 tonnes over 1973. However, as its chairman and managing director, Mr. D. K. Redford, points out, ports feel the effects of recession before any other body. Last year the company's main charges on ships and goods were increased three times to end the year 25 per cent. higher, and there were substantial increases in operating and maintenance costs.

It came as no surprise to learn that taxable profit fell from £2m. to £748,948 for the half year to June, 1975, and that the continued world trade recession, steep rises in wages and supplies costs, and disruptions of business at Manchester docks and Ellesmere Port were named as the main culprits.

Mr. Redford says the rest of the year will depend on more stable national economic conditions and improved world trade prospects. For its own part the company has been engaged in an economy drive, has reviewed its charges and expects to "weather" present difficulties. "We are not alone," says Mr. Redford.

Oil docks

About two-thirds of the port traffic is in petroleum products, and most of that never comes anywhere near Manchester itself, being handled in the Queen Elizabeth II Dock at Eastham and at Stanlow Oil Docks near Ellesmere Port. Both sets of docks have pipeline connections with the numerous oil company installations in the area and also serve the Shell and Burmah refineries. There are also berths for discharging and loading oil and liquid chemical products at Ellesmere Port, Runcorn and Partington.

A wide variety of general cargo can be handled, with special facilities for container and unit load traffic, berths for heavy roll-on/roll-off units, floating grain elevator facilities, bulk handling equipment for the discharge of ores and similar materials, and tips for loading coal, soda ash and other dry bulk cargoes.

Container terminals operate at Manchester Docks and Ellesmere Port and there are regular year-round services to Canada and the Mediterranean. Transporter cranes and straddle carriers load and discharge cellular ships and handle containers in adjoining marshalling yards. The usual mixture of transit sheds, warehousing, inland transport terminals and cold store facilities are to be found, as well as dry dock space. The port also has sites for industrial development geared to heavy importing or exporting activity (this is primarily an importing port).

No major development schemes are planned at present, the only new wharfage recently being installations at Stanlow to serve the CEGB's new oil-fired power station. Mr. Redford says the company is concentrating on improving and modifying the existing facilities. "Though we are always prepared to build new facilities for new business," he says.

The main question mark over the future of Manchester's port and the Ship Canal Company itself has been concerned with the Government's various nationalisation proposals. The original 1969/70 plan involved the acquisition by the State of the assets of every port authority. The latest plans do not involve this assets takeover, but rather provide for the creation of a National Ports Authority to take overall control.

The latest proposals would transfer the ownership of a private port—like Manchester—to a new public body. Ports already owned and managed by public bodies, under public trust or municipally owned, would remain unchanged apart from the influence of the new national authority.

The Manchester Ship Canal's place in this plan has been somewhat confused in the public mind since although the company is a private enterprise concern with shareholders, the majority of its Board members are appointed by Manchester City Council, even though the municipal authority has no shares.

This unusual state of affairs has its origins in the late 19th and early 20th centuries when the canal was at its beginning. When the waterway was nearly complete, the company ran into money trouble, and Manchester Corporation lent money. Municipal representation on the Board started at this time, but when the company ran into further trouble and failed to pay interest on the loan, the local authority acquired the right to appoint a majority of the directors.

Since those days the money trouble has been left far behind, and the Ship Canal Company is now financially secure, ploughing back money for new developments over the years—only £5m. of new money has been borrowed since World War II.

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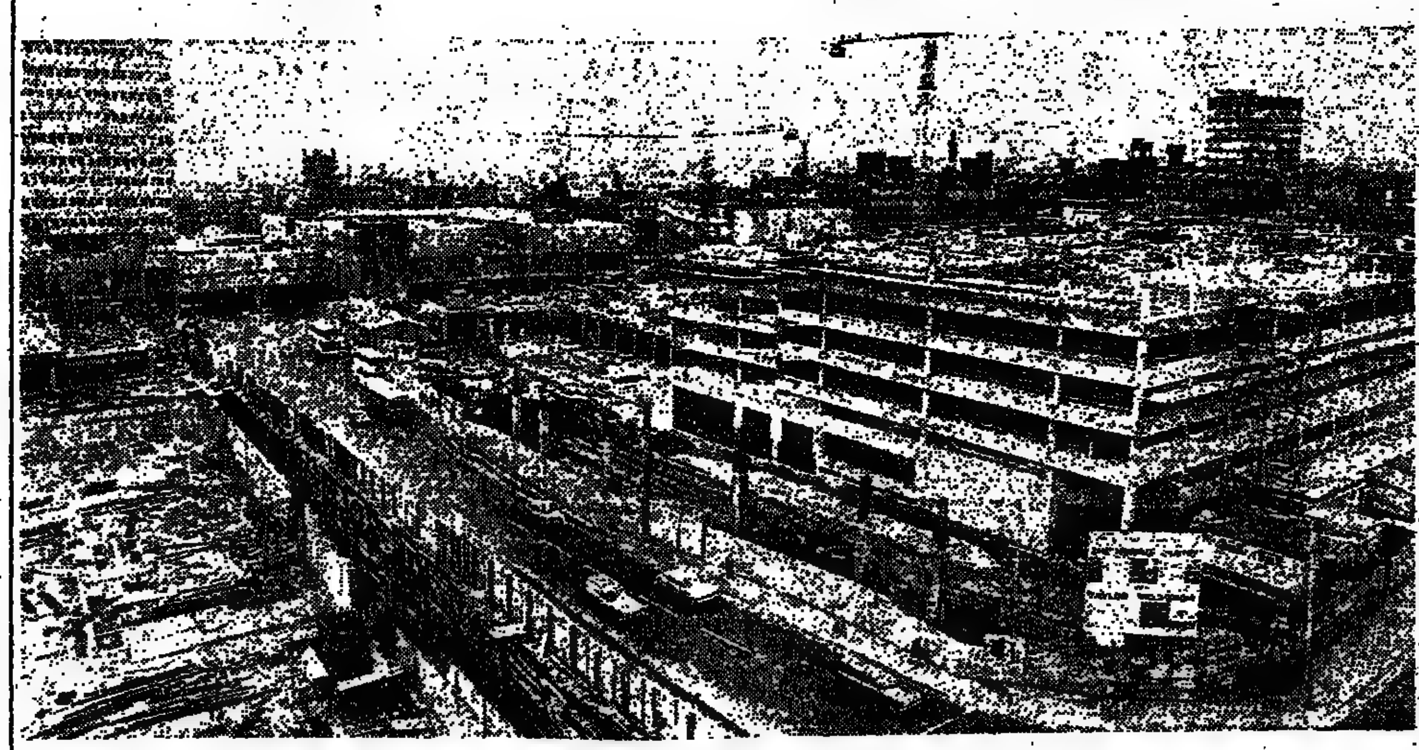
GREATER MANCHESTER IV



The Arndale Centre complex in Manchester nearing completion.

Little action on property front

THE LIVELY property market, both in the industrial and commercial field, that was a feature of Greater Manchester until very recently has slowed down to an almost complete stop in some areas. The tempo of both industrial and office building has been reduced to such a pace that some concern is already being expressed over what is to happen when the recession lifts. Although some major schemes on both fronts are still building they reflect a confidence of the past that is not being shown by the number of new projects starting up now.

The Greater Manchester area's service employment growth tended to draw special attention when it was in full cry because the county was one of the most predominantly industrial employment areas of the country. The office boom of the sixties, which seemed faster in Manchester, was actually bringing the area closer to the national average and correcting what some would describe as an imbalance.

All that is now over and whereas the local authorities that existed before local government reorganisation tended to grant planning permission for office development when and where they could—resulting in a large backlog now — the Greater Manchester Council has formulated an interim office building policy which aims at ensuring that future office development will be confined to town centres or existing office centres. Another aim is to reduce outstanding commitments to "manageable" proportions.

Chris Turner, Principal Planning Office of the GMC with responsibility for the Structure Plan, says: "That means we stop giving permissions where the ceiling has really been reached." The central area and much of the southern part of the country are thought of as having reached this ceiling.

The Council has adopted the concept of restricting the "gap" between occupied and potential floor space to a manageable figure, and various yardsticks have been adopted for Manchester/Salford; other major towns like Wigan, Bolton, Bury, Rochdale, Oldham and Stockport; minor centres like Cheadle, Wythenshawe, Leigh and Middleton; local centres serving strictly local needs.

In the Manchester/Salford area the council considers the commitment already so large that nothing further should be allowed for the moment. For the major towns a gap of 500,000 square feet is suggested, representing about 2,000 office jobs, in the minor centres 125,000 square feet (about 500 jobs), and in the local centres 50,000 square feet (about 200 jobs).

In the light of this it is interesting to note that Manchester City currently has about 1m. square feet of vacant office space, a further 1.5m. square feet or so is under construction, and schemes with planning permission total 5.3m. square feet. By contrast, in Bury for instance there are some 30,000 square feet vacant, 21,000 square feet under construction and planning permission for another 80,000 square feet.

Confirmed

The effect of the situation in terms of both the reaction to the current recession and GMC policy can be gauged by talking to the area's prominent estate agents. In conversation with the commercial agency partners of Dunlop Heywood in Manchester, for instance, it was confirmed that no new starts had been made in 18 months in the central area, and even though demand had not yet dried up it was thought there would tend to be more vacant office space than ever over the next few months.

It was, they said, no longer viable to build speculative offices in the centre, and not just because building costs have moved from £4 to £24 per square foot in 10 years, and rents from 75p to £3.50 per square foot in the same period. The decision by the city authorities to rate empty properties tends to inhibit speculative development too.

One of the criticisms most loudly voiced by these and other estate agents is that in the city there has been a lack of provision for car parking with the new office blocks. Local authority policy of not encouraging cars has turned away office developers and is now turning away shoppers, it is claimed.

Certainly Dunlop Heywood could show that there is still a good market for offices outside the city. With certain exceptions like Stretford, where it was felt too many large blocks had been built, there were 20 locations that could be offered and a claim that they would let well. Car parking provision for both office workers and shoppers is certainly more in evidence in these outer areas.

The biggest development going on is a Town and City Properties scheme that covers 18 acres in the central area. Six air-conditioned office blocks are scheduled, totalling about 435,000 sq. ft. and the first block is expected to be completed at the end of this year. An Arndale shopping centre is included in the overall scheme and the first part of that should be opening in the spring. With this and the other shop section planned, fairly extensive car parking provision is made which should help to offset some of the fears expressed by the estate agents about city policy in this direction.

Earlier this year detailed planning permission was granted on another central development that will provide 1m. sq. ft. of office accommodation plus a hotel, public house, restaurant and shops. Also this year approval was given for a scheme aimed at turning the city's central station into a trade and conference centre and town housing development. So it seems that when the market picks up there will once again be much activity, especially in the city.

Turning to industrial premises, Dunlop Heywood reported more deals in Greater Manchester than last year, but most of the activity has been in the smaller, up to 10,000 sq. ft. units. There has also been more of a swing towards leases rather than purchase—80 per cent. as opposed to 60 per cent. previously. One of the partners predicted that industrial rents would double within three years, and there is certainly a fear of a shortage when the economy picks up.

One of the traditional worries in the industrial property scene in this part of the world is dereliction. This is particularly a feature of some of the city industrial districts and the textile mill areas to the north of the county. In some areas there is plenty of land available but it requires clearing. Those old mills that can be adapted to new uses have all been taken up long ago, leaving the really derelict ones as a major problem.

Derelict

A particular worry expressed by the North West Industrial Development Association is the number of old mills that have been used as a cheap source of industrial space but not rehabilitated. NWIDA Deputy Director Dr. Peter Barfield referred to some of these buildings where the first and second floors have been occupied, but where the remainder, together with the surrounding land, have been left derelict.

There seems to be a general view that the dereliction problem needs to be tackled urgently. The green field sites near the new motorways already look attractive for new industrial building, and if new or expanding employer companies are not encouraged to move on to now derelict industrial sites as well, the problems will be accentuated.

Although the property market in both sectors has gone a little flat in accordance with national trends, there is a feeling in Greater Manchester that it will not take much of a boost to start things moving again.

Hugh Colver

Port

CONTINUED FROM PREVIOUS PAGE

Nevertheless, the city authority's right to appoint 11 of the directors from the ranks of its sitting members holds good, with the shareholders electing another 10 directors. Similarly, the chairman is elected by the shareholders' directors, while the deputy chairman is a local authority representative. The situation it further complicated since charging policy is in the hands of a committee of mostly shareholders' directors which is not controlled by the Board as a whole.

Although both shareholders' directors and local authority directors are careful not to show it publicly, this situation has led to some friction in the past, and the nationalisation issue would appear to be showing up the differences of opinion.

Mr. Redford takes the view that the nationalisation question turns on the compensation terms. "The attitude of the company must be in the hands of the shareholders and that will depend on compensation," he says. "I am concerned with keeping this outfit going as a commercial undertaking."

For deputy chairman and leader of the City Council, Norman Morris, the main question is one of public accountability. "It is a public company and the City Council has the majority of the directors," he says. "If the port of Manchester has been built up as one of the most successful and profitable it has done it under a Board representing the city. We have still got to go out and get the business if we are going to survive, public ownership or not."

One of the areas of doubt over this whole question of nationalisation is to what extent composite businesses such as the Manchester Ship Canal Company will be able to retain their non-port interests. This was certainly possible under the original 1969-70 nationalisation plans, but it is not clear if the principle has been retained.

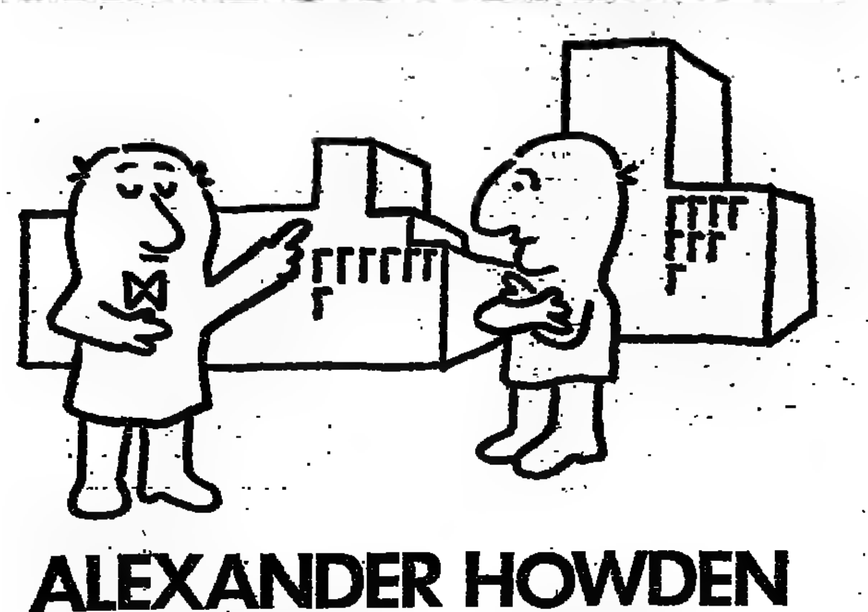
Stake

Manchester is unusual in having a great many of these non-port activities. Apart from carrying on all port functions, such as pilotage, railways, stevedoring and tug operation itself, the Ship Canal Company owns substantial areas of land unconnected with the port, has large liquid financial assets, a large investment portfolio, road haulage and warehousing operations distinct from the port, shipping and forwarding interests, and a major stake in the leisure field—the company owns the Bridgewater Canal, has just constructed a large marina, and is about to start on a waterside village.

Another area of doubt over the nationalisation plans has loomed larger in recent months. There is increasingly the feeling that all this talk of nationalisation may be academic and the plans may not come to fruition due to pressure of business in this Government.

Whether they do or not, and whether or not the composition of the Canal Company's Board changes in the future, there seems little doubt that Britain's most financially successful port will go from strength to strength once the present recession lifts.

Hugh Colver



LABOUR NEWS

BL rejects Cowley call for interim pay deal

BY ROY ROGERS, LABOUR CORRESPONDENT

DEMANDS FOR interim pay increases for 4,000 workers at British Leyland's Cowley, Oxford plant, which would have had repercussions throughout all 17,000 workers at the Cowley complex and possibly elsewhere in the company, have been turned down by management.

At the same time the 4,000 body plant workers have blocked company moves to bring Cowley workers together in one set of pay negotiations in future as opposed to the present five bargaining units.

The interim demand was pressed by the Transport and General Workers Union on behalf of 4,000 non-production workers in the Cowley body plant. According to TGWU Oxford district secretary Mr. David Buckle, it was part of last January's annual settlement when they accepted moderate increases of 11.7 per cent. instead of the 19.9 per cent. which they would have been entitled to under the terms of the social contract guidelines.

Mr. Buckley's argument was that at the time of the January deal they made it clear to the company they would seek interim improvements if the cost of living rose by more than 10 per cent.

The company, however, has rejected the demand out of hand and stated that the January settlement included a clause stating there would be no further economic demands inside 12 months—a policy which is also included in the Government's new anti-inflation pay policy.

This issue is likely to be referred to an extended works conference, the next stage in British Leyland's disputes procedure. There seems no chance, however, of the company giving way on the issue because anything conceded would immediately be demanded by other Cowley workers.

This situation is part of management's reasons for wishing to bring all 17,000 Cowley workers into one bargaining unit. But inter-union rivalry—the TGWU tends to run the body plant with the Amalgamated Union of Engineering Workers having a louder voice in the adjacent assembly works—is holding up these rationalisation plans. The latest set-back came earlier this week when 4 000 body shop workers turned down a management plea for acceptance of the principle of abandoning separate plan negotiations at Cowley.

Coventry threat

Meanwhile, thousands of Rover-Triumph car workers in Coventry are facing the prospect of being laid off over the next few days because of a continuing strike by transporter drivers which is also threatening Leyland's Superdeal sales drive.

Talks between James Car Deliveries, who operate for Rover-Triumph, and the Transport and General Workers Union have broken down.

The 80 drivers involved walked out a week ago when their employers announced a voluntary redundancy programme and work-sharing scheme.

Rover-Triumph, because of the dispute, are stockpiling vehicles, but storage space is running out.

Receiver appointed for Drypool

BY JAMES McDONALD, SHIPPING CORRESPONDENT

MR. ROBERT C. SMITH, liquidator of the ill-fated Upper Clyde Shipbuilders group, has been appointed by National Westminster Bank as Receiver and manager of the Drypool shipbuilding and engineering group.

Mr. Smith, of Arthur Young, McClelland Moores and Co., Glasgow chartered accountants, said in London last night that he was visiting Hull this morning and would make a rapid tour of as many as possible of the group's properties during the day—"there are eight operating companies, I understand," and would have a series of meetings with management and other officials.

"I probably won't be able to cover all the ground in one day but I am starting from scratch—I was only informed this afternoon—and I have a short time schedule," he added. "I must find out as soon as possible what the group's problems are."

Asked about the prospects of the group he would go only so far as to say that normal working would continue until the end of this week.

He has asked Mr. Norman Acaster, acting managing director not to join the planned deputation to London to-day to meet Lord Beswick, Secretary of State at the Department of Industry. "I need him in Hull."

The deputation, however, will go ahead to appeal for Government help for the group and its 1,200 workers. Led by Mr. James Johnson, MP for West Hull, it will include management representatives, union officials, local councillors and representatives of the six customers who see the vessels they have on order at risk.

Commenting yesterday on the possibility of the Isles of Scilly Steamship Company placing an order for a passenger-cargo vessel with Drypool, Mr. Barneslie Ward, one of the company's joint managing directors, said: "My company is still in negotiation with the Government over the terms of a repayable loan and no decision has been taken to place an order for the replacement of the RMS Scillonian with any shipyard."

The steamship company applied to the Department of the Environment for financial aid to replace the present 20-year-old vessel, which maintains the islands' link with the mainland.

ICI DEVELOPMENT UNIT TO CLOSE

ICI plans to close its unit in Welwyn Garden City that develops products for its building division, with a loss of some 70 jobs, employees were told yesterday. The company said it hoped to avoid redundancies by transferring staff to other plants before the closure next year.

The company had hoped that the unit could be used for production as well as development, but studies had shown that the site was uneconomical. The work being carried out there will be taken over by other ICI plants.

Shipbuilder hints at worker sharing

THE chairman of shipbuilders Austin and Pickersgill, Mr. Derek Kimber, has held out the prospect of worker-participation to his 2,500 employees in return for their taking on greater responsibility.

The workers should have a greater say at all levels from the shop floor to the boardroom, Mr. Kimber says in the company magazine. But he stresses that if the workforce shares in policy-making, it must also share in responsibility.

"I am in favour of anything that promotes industrial progress and efficiency. The chances are that more worker-participation would promote this, if only because more involvement tends to generate more interest.

"The time is surely past when people called 'employers' took it for granted that they could hire human ants called 'workers' to do their bidding more or less without question year after year."

Mr. Kimber's thoughts on worker-participation are in line with the views given by the shipbuilding industry as a whole

● Worker Participation: A Practical Policy, setting out counter-proposals to the TUC's call for 50 per cent. worker-directors on the supervisory Boards of private companies, has been published by Wellens Publishing, of Guilsborough, Northampton, at £6 post free.

Murray and Chapple for NEDC team

BY JOHN ELLIOTT, LABOUR EDITOR

THREE SENIOR union leaders headed by Mr. Len Murray, TUC general secretary, are to become members of the National Economic Development Council's new permanent Committee on Industrial Investment which starts work soon.

The other two are Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union, and Mr. Harry Urwin, who apart from being the deputy general secretary of the Transport and General Workers, Union, is also a member of the steering committee setting up the National Enterprise Board and of the Department of Industry's advisory Board.

It was decided in May to set up the NEDC committee, which will be jointly served by the National Economic Development Office and the Bank of England. Its jobs will be to keep the problems of finance for industrial investment under constant review.

Bringing together the interests represented on the NEDC with the Bank and other City institutions, including pension funds and insurance companies, it will give unions a new involvement in financial affairs.

The TUC has been concerned about the operations of the City for some time and Mr. Murray has frequently criticised the Stock Exchange

Ten days ago, Mr. Jack Jones, general secretary of the TGWU, drew attention to TUC suggestions for setting up special company investment funds when he urged the Government to take powers to force companies and pension funds to allocate more money for investment.

Against this background, the NEDC committee is regarded as specially important by the TUC. This is shown by the appointment not only of Mr. Murray, but also of the unions' main representative in the private sector, Mr. Urwin and Mr. Chapple, who is firmly in favour of maintaining a mixed economy.

Union seeks talks on violence threat

By Our Labour Staff

THE CIVIL and Public Services Association, the biggest trade union in the Civil Service, is trying to arrange a meeting of all unions concerned to discuss ways of preventing an increase in violent assaults on public servants.

Mr. Bill Kendall, general secretary of the CPSA, plans to ask the TUC general council to convene such a meeting following a major debate at the movement's annual conference in Blackpool last week.

Mr. Kendall said he feared that with unemployment rising at an alarming rate and frustration mounting on both sides of the counter there would be more assaults, particularly in social security and employment offices.

AUEW prepares to vote for key executive seats

BY OUR LABOUR CORRESPONDENT

ELECTIONEERING for key seats on the Amalgamated Union of Engineering Workers' executive is hotting up with campaign meeting and the publication of election addresses.

Mr. Hugh Scanlon, AUEW president, has left union members in no doubt where he stands by attending week-end meetings urging support for Communist Mr. Jimmy Reid, who is standing for the Scottish executive seat, and for Left-winger Mr. Bob Wright, who is seeking to fight off a Right-wing challenge for his important Midlands executive post.

These elections will be straight fights with Mr. Gavin Laird and Mr. Terry Duffy respectively in postal ballotos next month. A third executive post up for re-election is that of Mr. Arthur Hearsay, a moderate, whose North-West division post falls vacant on his retirement in November next year. Five will contest the first ballot next month.

The elections could upset the fine political balance on the seven-man executive, and politicas are evident in some of the election addresses. For instance, Mr. Duffy, an assistant divisional organiser from Wolverhampton, declares his support for the social contract and the Government-TUC attempts to control inflation. "We must disregard the political extremists and chameleons, our society is better than anything they have to offer," he states.

His opponent, Mr. Bob Wright, spends much of his address attacking the "enormous intervention" in AUEW affairs by the Press and other organisations having little sympathy with the unions or its members.

Such intervention was backed by interests wishing to see the establishment of a "subservient leadership who would compromise the interests of our membership under the title of moderate trade union leaders," he adds.

Last of the 'Newcastle 10' cleared at retrial

THE LAST of the "Newcastle 10" strike pickets was found not guilty at a re-trial at Newcastle Crown Court yesterday and discharged. Mr. Robert Henderson, 23, a scaffolder, of South Shields, about whom a jury could not agree last week, pleaded not guilty to assaulting PC Frank McDermott on January 29 after his arrest with nine other pickets during an unofficial strike of scaffolders at the Eldon Square Development site in Newcastle.

The other nine were acquitted last week.

Mr. James Chadwin, defending, applied for costs to be paid for Mr. Henderson. He said his client had been receiving legal aid but unlike any witnesses in the case was not entitled to expenses relating to his attendance at court.

Judge Johnson said that Mr. Henderson would get his personal expenses and loss of earnings for six days paid from central funds.

Early 1976 pay freeze urged

THE GOVERNMENT should be considering a pay freeze early in 1976 because the £6-a-week flat-rate policy is likely to be cracking by Christmas, says Mr. Richard Stokes, personnel director of the Burton Group, writing in the latest issue of "Personnel Management."

"The £6 ceiling was the sixth pay policy introduced in Britain in ten years. Of the previous policies, three had aimed at voluntary pay restraint and two had been statutory.

"The latest version is a hybrid, although, in practice, it is likely to be applied with flexible and permissive overtones," says Mr. Stokes.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● MATERIALS

Recovers silver on small scale

Photographic Silver Recovery (PSR), manufacturers of the Silver King 15/28 silver recovery unit specified by the DHSS, have brought out the compact, manual machine shown here, which will either extract part or all of the silver contained *in the hand tank fixing solutions used in photography, film* and X-ray laboratories. Termed the Silver King Manual (15/28 is fully automatic), the new machine circulates the fixing solution through flexible pipes to the recovery unit and, through a pre-set time control, ensures that only the desired amount of silver is removed from the solution before it is returned to the fixing tank. The Manual can also be used to *recover virtually all the silver content of waste fixing solution*, at a purity of 99 per cent. Silver recovery from hand tanks has been laborious and messy, and the economics vague. With silver presently valued at around £2.40 per troy ounce, PSR estimate that the Manual, with a purchase price of less than £300, can be justified by many small processors. Security *locks are incorporated to prevent theft of silver and* unauthorised interference with the controls. Plug-in components and solid state electronics are employed for the plating current supply and control circuits. A self-priming centrifugal pump, with a circulation rate of six litres/hour, is used for solution handling. Overall dimensions of the unit are: height 445 mm. (17.5 inches); width 305 mm. (12 inches); and depth 406 mm. (16 inches). PSR is at Wilmott House, Hampden Road, London N8 0HG (01-340 9696).

● PRODUCTS

Opportunity for U.K. industries

SENIOR executives from nine Ontario companies—all seeking British products that can be made under licence in Canada—are due to arrive in London on September 13.

They are sponsored by the Ontario Ministry of Industry and Tourism, Toronto. Products sought include materials handling and pollution control and treatment equipment, display racks, door frames, pumps, a continuous horizontal belt type vacuum filter, stamping hardware, printing resins and special-purpose plastic building products and chemicals.

Also sought are air filters such as those used *in photocopiers*, construction equipment and service products, smokeless incinerators, conveyor chains, and new engineered products for the petro-chemical power, chemical and water industries.

Further information can be obtained *from* the *Business* Development Branch, Ontario House, Charles II Street, London SW1Y 4QS.

● COMPUTERS

IBM invades new market

PORTABLE—JUST since it weighs 60 lb—is a desk-top computer announced yesterday in the U.S. and Canada by IBM.

Intended for problem-solving in engineering, accountancy, business and the laboratory in general, it can be slaved to a larger computer or operate on its own. The machine can have up to 64K of memory and be equipped with an optional print-out though communication with the user would usually be through a small display with capacity for 1,024 characters.

Dimensions are 12¾ x 13¼ x 23 inches and these make it slightly larger than an IBM typewriter.

This development means that IBM is now prepared to wage war with the specialised mini-computers of Varian, Hewlett-Packard, Wang and other companies who have begun to erode IBM's small machine market in the business area.

There is no indication yet when IBM will launch and sell *this machine, which appears to* be an offshoot of the banking and other terminal work carried out by the company, in Britain.

● CONSTRUCTION

Simpler to fix ceiling panels

ASBESTOS ceiling panels which can be fixed in place without drilling, screwing or gluing, have been developed by Cape Boards and Panels, Iver Lane, Uxbridge, Middlesex UB8 2JQ (Uxbridge 37111)—a Cape Group company.

Called Asbestolux SecretFix panels, they have plates factory fitted through which a separately supplied bolt is fitted. The bolt secures the panel to an inverted T steel section. For demountable panels providing access into the space above the suspended ceiling, a hole is drilled through the panel under the fixing plate, and a serrated bolt is used which can be withdrawn by a screwdriver through the hole. A plastic plug seals the hole when the demountable panel is in place.

The panels provide up to 1½ *hours fire resistance and reduce* sound up to 42dB. Sizes are 600 x 600 and 1200 x 600 mm and 2 x 2 and 4 x 2 feet. All sizes are 9 mm thick, and can be either plain or perforated, and decorated or ready for painting.

Insulating foam work upturn

BUSINESS shows signs of recovering in the cavity foam industry, since the further circular from the Department of the Environment (DoE) early last month.

However, according to the Cavity Foam Insulation Association (CFIA) many local authorities are not following the advice of the DoE. There is still too much paperwork required and delays of between one and two months are being caused by over 50 per cent. of councils. Appeals to the Department of the Environment, although growing in numbers of favourable decisions to the industry, can add a further four to six weeks to the delay.

CFIA estimates are that members of the Association have, on average, two months of orders awaiting approval. This figure is likely to double in the autumn.

Business is recovering to the extent that the 25 to 30 per cent. of manpower retained by the industry is now busy—as compared with the underworked situation a month ago. There are still insufficient approvals coming through to allow reinstatement of the lost manpower.

According to the chairman of CFIA, Mr. Richard Chambers, one of the worst hold-ups is the need, in the case of semi-detached homes, to notify neighbours. It should not be necessary—there is little risk of problems being caused and our insurance covers any such eventuality, he asserts.

Cavity Foam Insulation Association is at Bremar House, Sale Place, London, W2 1PD (01-402 8411).

● DATA PROCESSING

Optics made simpler to use

PROTOTYPES of new Bardata optical character recognition (OCR) equipment to be promoted in Britain by British Airways were shown recently at the American Newspaper Publishers' Association conference in Houston and will be available this month.

The new models are the result of progressive evaluation of customer requirements and further developments in OCR technology which British Airways communications experts first explored in 1972 and subsequently marketed in a wide range of equipment under the name Bardata Systems.

Bardata OCR 10, 20 and 30 models would be programmed to each customers' requirements. Their low cost—starting at £4,300—will bring this equipment within the range of more users, as well as reducing costs. Using an optical page reader, Bardata "reads" script prepared by electric typewriters, but through coded bars beneath the characters.

The technique, originally designed to provide an effective means of converting typed script into typeset for the newspaper industry, has a huge range of applications in a variety of industries where data from an original needs to be processed or stored in one form or another *for future reference.*

In data preparation for computer input, data prepared on an *electric typewriter* can, for example, be read by the reader and stored on magnetic tape, magnetic disc, paper tape or fed directly into the computer.

The new equipment has a scanning rate of 110 characters per second and provides the lowest error rate in the industry, BA asserts.

Bardata can be contacted through British Airways, POB 10, Hounslow, Middlesex (01-897 5207).

Bureau has bigger machine

THE FIRST computer bureau in Europe to operate through a Digital Equipment PDP-11/40 RSTS system, the central London-based firm of Allen Computers International, is going over to an 11/70 valued at £75,000 to be installed in the company's head office at Victoria House, Southampton Row, London WC1 in the autumn.

The machine will have 128K words of memory, an 88-megabyte disk, tape (1600/800 B.P.I.), and a 16 line multiplexer with modem control. It will effectively *triple* the *capacity previously* available to A.C.I. customers, allowing future expansion for an additional 64 users to be on-line at the same time, making a total of 96 users with possible simultaneous access to the Bureau.

The company is on 01-405 1565.

Takes load off central machines

FIRST National Bank of Chicago is giving night safe customers better utilisation and control of their daily cash receipts while more efficiently using its own large-scale computers, *by putting* their accounts on a compact Varian Data Machines V73 mini.

On line to a database and collection service in Atlanta, the V73 enables the bank to write depositary transfer cheques daily to transfer client cash deposits from remote banks to home office bank accounts. As a result, midnight cash deposits of a client in Las Vegas, for example, will be credited to its home office, or concentrator account, in Chicago the next morning.

Floats of *non*-interest-bearing funds are reduced to a minimum compared with posting cheques covering receipts, which can take several days in some instances.

The alternative to the V73 was uneconomical. It required tying deposit transaction data to one of the much larger systems for automatic cheque writing.

Meanwhile Varian in the U.K., where it has so far been known for its scientific work, is preparing to launch into the business mini market in force.

● PLASTICS

Base cloth in broad weave

THE FIRST machines in the U.K. for producing 2.5m. wide glass and synthetic fibre fabrics for plastics reinforcement are being installed by the Industrial Textiles Division of Fothergill and Harvey, Littleborough, Lancs.

These high speed Ruti machines—each capable of producing wide woven reinforcements in rolls 2,000m. long—are due to be in full production later this month.

The company expects the increase in fabric width will enable manufacturers of large items such as transport trailer covers, *freight* wagon covers, "*instant*" airstrips and inflatables to improve productivity by reducing the number of joints required in manufacture. Ability to produce long rolls will also allow plastics coaters to have uninterrupted processing with a resultant saving in down-time and wastage.

First order which will be produced on the new machinery is for a leading Scandinavian fabric coater. A number of coaters in the U.K. have also installed machines capable of handling this extra wide material.

Glass fibre fabrics produced on the new machines are expected to be the widest in Europe and will, in the near future, be used by the Group's Tygadure Division to extend the size range of Tygaflor PTFE-coated glass fabric belts which are used in the packaging, food and processing industries as an anti-stick conveying medium capable of withstanding operating temperatures of 250°C.

Fothergill and Harvey is at Summit, Littleborough, Lancs, OL15 9QP. 0706 78831.

● RADIO & TV

GEC shows teletext in Germany

RECENTLY demonstrated ... Germany for the first time ... part of the technical program... organised to coincide with ... 1975 Berlin International R... and TV Exhibition, was ... teletext service now going out ... BBC and ITV.

The demonstration took pl... during a symposium under ... auspices of the West Ge... Ministry of Posts and Tele... munications.

Robert Clayton, techn... director of the General Elec... Company and the president ... of the Institute of Elect... *Engineers* explained the tele... system and its development ... Britain.

Teletext was demonstr... using a GEC colour televis... teletext receiver with an i... grate decoder—the only uni... its type currently available ... any manufacturer. As Britai... the only country with reg... teletext transmissions, exam... of the BBC Ceefax and ... Oracle services were ... using a video tape reco... *specially* provided for ... occasion by the BBC.

GEC has been clo... associated in the development ... teletext in Britain, which ... leads the world with a s... covering news headlines, ... results, stock market re... exchange rates, weather ... casts, farm news, food price ... TV and radio programmes. ... Hirst Research Centre is pr... ing integrated teletext rece... a function which will be t... over by GEC Radio and ... vision), Langley Park, Sl... Bucks., as demand increase...

● CALCULATORS

Three new scientific machines

UNDERCUTTING the price of the nearest competitive machines by at least £5, CBM Business Machines, 446 Bath Road, Slough, Bucks., SL1 6BB (062-86 3224), has introduced three hand-held scientific calculators.

The range uses the company's own chips. After the initial launch with machines imported from the parent Commodore company in the U.S., it is planned to build the range at CBM's U.K. factory at Eaglescliffe, near Stockton, and export it throughout Europe.

Feature of the range is that the machines all calculate to 14 digits, and include at least eight digits in the mantissa, plus two in the exponent—this is said to provide a degree of accuracy greater than other calculators on the market. Two independent memories are included, as well as parentheses. In addition to all the usual trig, log and power functions, these models have "exponent shift keys" which when depressed move the decimal point of the mantissa, *increasing or decreasing* the exponent to the required power. Mean and standard deviation for statistical work, plus polar to rectangular co-ordinate conversions are included.

Mathematical facilities on the three models are the same. They are priced at £49.95, £39.95 and £29.95. The first has 48 keys, while on the other two some of the functions are doubled and they have 39 keys. The first machine has a 12-digit display (excluding signs) and the other two have ten-digit displays. The first two machines are rechargeable and a mains adaptor is included. The cheapest machine operates from a standard 9V battery, with a mains adaptor as an extra.

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The Executive's World

EDITED BY JAMES ENSOR

Nicholas Leslie describes how after a number of false dawns a £30m. contract in the Middle East shows . . .

How faith is paying off for Weir Westgarth

THE GLASGOW-BASED Weir Group, employing over 14,000 people in the U.K. and overseas, is a major name in pump manufacture, it has very large steel castings interests, makes various components for aircraft and has a construction division.

Yet it is its Weir Westgarth subsidiary, which designs and builds desalination plants, but employs only 150 people in the U.K., which has lately caught the public eye. This arose because of the award to Weir Westgarth of a £30m. contract to build four desalination plants in the Middle East State of Qatar.

Significantly, this is the largest single contract that the entire Weir group has ever won. But, perhaps of equal importance to the company is that its faith in desalination plants—following a number of false dawns in the market and some outside fears that the U.K. was again letting technology developed in this country slip into foreign hands—is being vindicated.

Long way

Desalination goes back a long way with Weir. The first application was in 1884 as a shipboard plant used to make up losses of water on steamships—boilers need very pure water. This was some 13 years after the Weir Brothers, George and James, had set up in business to exploit ways of improving the efficiency of steam engines and shipboard desalting plants to this day remain an important part of Weir's business.

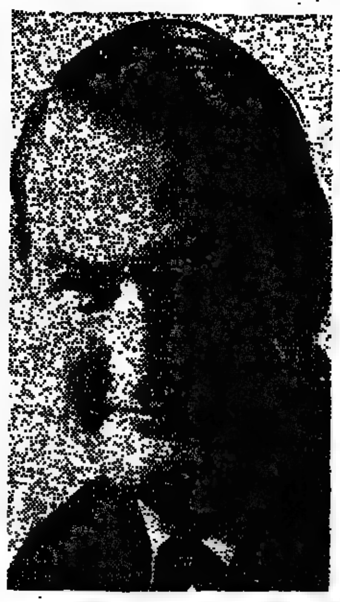
Development of land-based desalting plants did not begin until the 1930s, and it was not until after the Second World War that serious applications along these lines started. The system then used was submerged tube evaporation, involving a principle similar to the electric kettle.

The breakthrough into the current generation of desalination plants came with the co-invention by Professor Robert Silver—then Weir's technical director—of the multi-flash process which in one stride doubled the amount of water which could be produced from a given amount of energy, better knowledge of the chemistry of water and enabled plants to be built of fabricated steel rather than cast iron, thus reducing capital costs.

The other inventor was Dr. Adolf Frankel, of Richardsons Westgarth. The two companies jointly researched multi-flash in 1958-59. This leading eventually to Weir buying the former in 1963 to form Weir Westgarth.

Lord Weir, chairman of Weir Group, plays down suggestions by some observers that the company's latest contract—together with talk of the Middle East oil states being prepared to spend £1.5bn. over the next five years on fresh water equipment—has suddenly made desalination plants a growth business. He points to the fact that in the 20 years or so since 1953 the world capacity of desalination plant has doubled about every three years.

Nonetheless, he concedes that the great growth that many people expected towards the end of the 1960s did not materialise and that a very flat period ensued. However, while companies like Westinghouse in the U.S. decided to get out, Weir held on. "We never had any doubts about staying in the business because we always



Viscount Weir

believed that at some point in time there would be big business opportunities," says Lord Weir.

This belief, says Lord Weir, was based on the conviction "that if the people there (the Middle East states) were ever to be able to live a life with reasonable amenities then they were going to have to have water in large quantities. Also, if they were going to diversify from purely oil production into oil related industries then they would simply have to have water."

That Weir was able to remain in the race—and it has been facing increasing competition from such companies as SIDEM (Societe Internationale de Dessalement), in France, Societa Italiana Resine (SIR), in Italy and Mitsubishi in Japan—probably owes a lot to its techological strength — other countries have followed the principle developed by Weir—and to its style of operation.

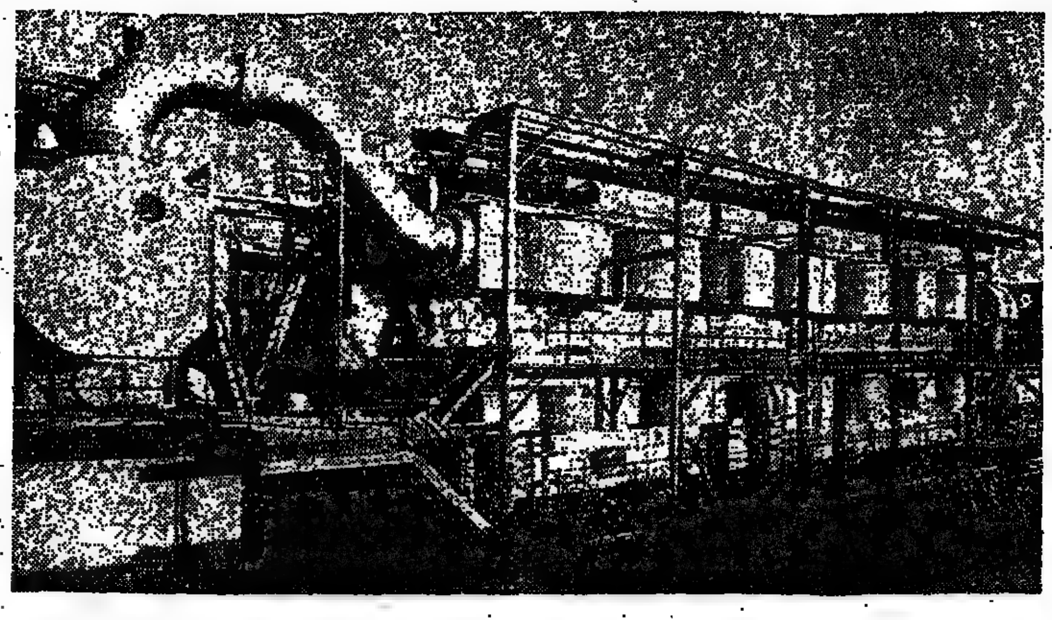
It is essentially a design and management operation, subcontracting the fabrication element of projects it is awarded. Thus, its staff of only 150. When times were bad, the level was cut back to about 35. Hard times arose because of sluggish demand and, as Mr. Peter Simpkin, managing director of Weir Westgarth points out, a period when "many companies thought this was the best thing to be in. A lot came in and as they needed to build plants to get the experience they took on a lot of unprofitable business."

The quiet periods were not wasted, however, as continued research enabled advances to be made to counter the corrosive and scaling effects of salt water, which are severe. This has had a beneficial spin-off for traditional shipboard desalting equipment, both the original type and multi-flash.

Customer

Another aspect of desalination work has been that it has become a sizeable customer of Weir's pump and valve division. The demand comes from Weir Westgarth and some of its foreign competitors.

A factor which suggests that Weir Westgarth will retain its new-found prominence within Weir Group is exemplified by the changing pattern of use of desalted water in the Middle East, which while not the only market is undoubtedly the one which is expected to support the industry over the next few years.



One of six 2 million gallons output per day distillation plants built by Weir Westgarth for the Government of Abu Dhabi.

Whereas early plants, such as those first put up in Kuwait 15 years and more ago, provided domestic water largely for drinking, more recently, they have supported efforts to create areas of vegetation and the curent thinking is that large quantities of water are needed to support the creation of industrial infrastructures within the Arab countries.

It was not so many years ago that plant producing half a million gallons of water a day were considered large, but Lord Weir now sees 4m. to 5m. a day as becoming the norm. He sees no real cost advantage in constructing larger plants, instead favouring clusters of 4m. or 5m. gallon projects.

Despite the excitement created by Weir Westgarth's £30m. contract—which compares with £10m. of such work won in 1974 and the company is even now tendering for another £60m. of desalination business in the Middle East—Lord Weir avoids what he sees as traps in thinking that present desalination technology can create either a "desert bloom" situation or sufficient water for really major industrial complexes as seen in Europe and America. Even with low fuel costs the Middle East countries would find it enormously expensive, for example, to use irrigation on a large scale using desalted water.

Returns

In considering the financial returns to Weir Westgarth, it is clear that the large proportion of a contract price will go outside the company—Lord Weir feels that perhaps about 20 per cent. of the £30m. will stay within the company. There are heavy outside costs, around 5 per cent. alone going on shipping and 15 per cent. will probably be spent on site on materials, plant and local labour.

Even with the possibility of an improving demand, Lord Weir has no plans to take Weir Westgarth into the fabrication side of the business by building the company's own steel fabrication shops. He is convinced it is best to leave that to outside specialists, and backs up his conviction by saying that the historic work load has been variable and thus could not guarantee to support a fabrication operation.

Thus, he does not feel that a competitor like Ishikawajima-Harima Heavy Industries (IHI) necessarily has the edge because desalination plants form part of an industrial group taking in major shipbuilding, steel and power generation equipment manufacture.

While the spotlight is now on the Middle East, Weir Westgarth is not neglecting other areas of potential, like North Africa, and the company feels there is scope for a lot of ongoing business in the Caribbean, one of its earliest markets where plant was needed to provide sufficient water to support the tourist expansion there.

Practical

Other areas are the oil refining and chemical industries where desalinated water is a practical means of making up any significant water shortfall through steam losses.

A subject which Lord Weir is somewhat reluctant to discuss is the growing mood among the Middle East countries that they should establish their own industry to produce desalination plant for their own use and for export to developing regions in Africa and Asia.

None the less, he comments: "I would hope that as time goes on that an increasing part of the fabrication work will be carried out in those countries."

As to the future, Lord Weir is not expecting Weir Westgarth to have five good years and then a flat market. This reasoning he bases on the fact that desalting is entering the stage of supporting industrial rather than just domestic demand. If one looks at the experience of other countries one sees that "the use of water per head and power consumption has been constantly in line with developed countries," he says.

Purchasing power

THE ABILITY OF a company to produce products at competitive prices and of sufficiently high quality and to keep to delivery schedules depends on a whole range of criteria. Not least in importance is the performance of the purchasing manager.

Now, an opportunity for purchasing managers to compete with one another, whatever their industry, is being offered in a national purchasing game which has a top prize of £1,000.

The entry fee will be £40, with entry forms available from Industrial Purchasing News, Calderwood Street, London, E.

BUSINESS PROBLEMS

Protecting an idea

BY OUR LEGAL STAFF

We are trying to organise a Small Boat Index, for which we are preparing a brochure, but are concerned lest our idea may be pirated. Hitherto, we have had hardware patented, but this does not apply here. Have you any suggestions?

It is correct that it is far more difficult to protect an idea than to protect a physical invention. Your remedy lies in the law of copyright and passing off rather than that of patents. You can, however, derive some further protection by registering a business name. You would be wise to consult a solicitor with a view to making the most of the advantages of "get-up" and layout in the brochure, as well as procuring the registration of your business name.

Termination of an employee's agreement

In the case of a "rolling" seven-year agreement with a company at a fixed salary, presumably the company could give seven years' notice and terminate the agreement by payment of a lump sum. How would this be treated for the purposes of (a) the company (b) the Revenue? Is there a tax-free £5,000 with the balance taxable as earned income in the year of payment, or would there be a "spread" situation?

It is not possible to give a full answer to your inquiry on the basis of the limited details provided, but briefly the taxation aspects are as follows:

1—Employee's tax

(a) If the contract provides for a lump-sum payment on termination, the payment would probably be fully taxable as income of the year of termination.

(b) Otherwise, the payment would be taxable as compensation for loss of office, under sections 187 and 188 of (and schedule 8 to) the Income and Corporation Taxes Act, 1970. The first £5,000 would be exempt, and the tax liability on the balance would be subject to top-slicing relief, by reference to the unexpired period of the contract, namely seven years.

2—Company's tax

(a) If the contract were terminated in anticipation of a cessation of the company's trade, or a part of its trade, it is unlikely that the company would secure tax relief for any part of the payment, beyond the relief provided by section 412(2) of the Taxes Act for the statutory redundancy payment.

(b) Otherwise, tax relief should be obtainable if the company could show, for example, that the removal of the employee was expected to have a beneficial effect on the company's trade.

Depreciation of a cottage

I own a cottage which I am letting for holidays. For purposes of my tax return would it be more advantageous to claim depreciation on a capital basis in respect of the contents, or a wear and tear allowance?

Unless major items of furniture have been purchased fairly recently, say within two or three years before the first letting, it will probably be better for you (and it will certainly be simpler) to claim a wear-and-tear deduction, say 15 per cent. of the rent, rather than capital allowances. There are no fixed rules governing wear-and-tear deductions in this type of case: it is a matter for agreement with the tax inspector, according to the particular circumstances.

*

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

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WEDNESDAY, SEPTEMBER 10, 1975

Mr. Healey's hard winter

SEPTEMBER is always a great month for talk, which usually leaves little enough trace behind it; so it is dangerously tempting to dismiss the economic warnings already heard from the IMF annual meetings, and the internal arguments of the TUC and the Labour Party as the normal stuff of a political autumn, a mere oratorical limbering up after the holidays. This year, however, they contain a warning both about the situation facing us, and the probable defensive responses to it, which deserve the closest attention. It is becoming apparent that the stern orthodoxy which has marked the Government's anti-inflationary policy during the summer will come under increasing challenge; it is time to start thinking about alternative policies before the easiest—and most damaging — options are adopted in a panic.

Warning

The clear warning from the IMF is that the international economic revival on which Mr. Healey has been relying to do the work of reflation is receding into the future. The repeated disappointments over economic performance to date, and the widespread criticisms of U.S., German and Japanese economic policies all point the same way; the trade forecasts from GATT and the IMF projection of a very large balance of payments surplus for the developed world as a whole tell the same story of very subdued demand. Mr. Healey's own strictures on the developed countries showed that he well appreciates the problem; but while it would no doubt be much simpler if he could persuade countries less troubled with debt and inflation to run the risks of expansion, it is not likely to happen.

The Government's supporters have two instinctive reactions to economic recession which would in fact make matters a great deal worse in the long run: to dig in, behind restrictive trade barriers and restrictive practices, in defence of existing jobs; and to attack the private sector. Mr. Benn, whose strength in the party is precisely that he responds so readily to its instincts, has re-emerged with proposals on these general lines—though his ideas are made to look moderate by Mrs. Hart and others on the Bourbon left of the party (those who forget nothing and learn nothing), who propose enforced price cuts and other measures to protect real consumption without regard to the level of national income. Import controls, on which the Prime Minister has maintained a studied ambiguity, have been requested by the TUC and seem likely to win party support as well.

While the Prime Minister and the Chancellor are certainly to some extent on the defensive against these demands, it would be a great mistake to think of them as the defenders of orthodoxy. Mr. Healey has repeatedly made it clear that he favours the expansion of the public sector in support of new, productive investment.

Resistance

Genuinely productive investment is undoubtedly to be preferred to subsidy and protection for the inefficient as a method of saving jobs, or rather of creating new ones. Worthwhile opportunities undoubtedly exist: the creation of a modern steel industry, and the improvement of Britain's high-cost transport system would both show worthwhile economic returns. The problem with such a policy is the stubborn rearguard resistance of railwaymen, steelworkers, dockers, and others whose employment is tied up in existing inefficiency. It is much easier for a Labour Government to let sleeping dogs sleep on in the basic industries for which it is responsible, and to invade the private sector's territory, taking over and investing where, it will be proclaimed, capitalism has failed the nation.

What the Government must remember under these pressures is that the restoration of business confidence is at least as central to its hopes for economic recovery during its term of office as its treasured understanding with the TUC on anti-inflation policy. Mr. Wilson gave signs of understanding this clearly enough last summer, in the row over the Industry Act; he may have to assert himself again in much more difficult circumstances if he is to preserve "consent and consensus" —or hope for investment—from private industry.

U.S. changes tack on development

IN THE ten days which have elapsed since the opening of the United Nations Special Session in New York, the U.S. Government has moved a very long way to reach some kind of understanding with the developing countries. At the start of last week it unveiled a large and ambitious plan for bolstering developing countries' economies, primarily by the establishment of a "development security facility" which would help sustain the foreign exchange earnings of nations mainly dependent on commodity exports. In essence this would be an enlargement, on a global scale, of the concept already written into the Lomé Agreement between the European Community and its associated countries in Africa, the Caribbean and the Pacific.

Indexation

Though this was a major advance on anything the U.S. had been prepared to countenance before—and it should be added that the bulk of the Kissinger speech was devoted to the traditional American emphasis on the need for trade liberalisation and for the encouragement of private foreign investment in developing countries—the sticking point for the Washington Administration was the developing countries' demand for indexation, to keep the prices of their commodity exports moving up at the same rate as the prices of industrial exports from the developed world. Now, however, even this point of disagreement looks like being negotiable, at least as far as the U.S. is concerned. Washington's latest working paper to the session does not include the word "indexation," but it does speak of "arrangements to insulate them from the adverse effects of inflation."

While the shift in the American position may be due to an altruistic concern for the plight of the developing world which, in the case of all the rich countries is long overdue, it may also be the product of the recent gloomy economic forecasts which have come from the Organisation for Economic Co-operation and Development. For there may now be a danger that the recovery from the recession in the industrialised world, which appears to be starting in the U.S., could be seriously undermined by continuing slump in the developing countries.

Commodities

Last year it was widely believed, erroneously, that it was the industrialised countries, as the major oil importers, which might face a serious financing crisis. The new U.S. position may reflect the view that it is the developing countries which have the real financing problem.

One alternative to a purely financial scheme for stabilising export earnings would be a system of specific commodity stabilisation plans, but here the U.S. remains cautious, not to say sceptical. It will sign the tin agreement, it will join negotiations on coffee, sugar and cocoa, and it proposes a co-ordinated build-up of world food grain reserves. In particular, the U.S. is now thinking of a long-term wheat agreement with the Soviet Union, to alleviate that source of disruption. But in general commodity arrangements tend to militate against efficiency, and for most commodities would be difficult and expensive to operate. Washington's proposals are bound to enhance its prestige with Third World, and may even restore it to a position of leadership in the UN. But it will take more than one Special Session to convert these or any other proposals into effective action which will change the outlook for the developing world.

The search to safeguard Europe's gas supplies

BY ADRIAN HAMILTON

WITHIN the next year, Statoil, the State oil company of Norway, is due to present its proposals for the pipeline distribution of oil and gas from the giant Statfjord Field which lies across the median line between Britain and Norway north-east of the Shetlands. While it is the oil production from this, the largest field so far discovered in the North Sea, which has grabbed most of the headlines, in many ways it is the future of its associated gas production which may be the more interesting and the more important for Europe as a whole.

For on the back of Statfjord's reserves of 2 trillion (million million) cubic feet of gas or more, the Norwegians clearly hope to build a giant gas transmission system taking in finds along the way and delivering perhaps as much as 2bn. cubic feet a day to the U.K. to the west, or to France or Germany to the south, or alternatively, to Scandinavia and Germany by way of Denmark to the south-east.

The prospect of such an important new source of indigenous supply through the 1980s has produced a veritable swarming of the European gas industries round the Norwegian honeypot. The French and Germans, who have already contracted to receive large quantities of Norwegian gas from the Ekofisk group of fields, have been showing every intention of offering high prices, with a little bit of discreet political pressure, to get the gas to come in their direction. The Scandinavians, led largely by the Swedes, have already started to play the Nordic card to enhance their blandishments. The British Gas Corporation, while maintaining its usual aloof and distinct position, has shown a good deal of interest in the gas on the British behalf.

Motives clear enough

The motives behind such enthusiasm, even though a decision on the piping of Statfjord gas is some way off and no gas supplies from it are likely until the early 1980s, are clear enough. Quietly and to a large extent unnoticed in public, natural gas has emerged over the last ten years as the fastest growing fuel in the European energy picture. Prompted largely by the discovery of the immense Groningen gas field on-shore the Netherlands, a major part of Europe has switched from its traditional manufactured, and hence high-cost, "town" gas base to natural gas.

Conversion is now more than 90 per cent.—and in some cases 100 per cent.—complete in the U.K., West Germany, Belgium, France, Austria and the Netherlands, is well underway in Spain, and is starting up in both Finland and Switzerland in preparation for piped supplies from Russia. With this switch have come dramatic increases both in natural gas use and its contribution to overall primary energy supplies.

With supplies from the North Sea, Russia and North Africa still building up, and with European energy demand nearly stagnant, the proportion is likely to increase still further, to as much as 18-20 per cent. in 1980. In the Netherlands it could be as high as 50 per cent., and around 12-20 per cent. in the other major industrialised countries like Germany, France and Britain.

Given this growth, the discoveries in the North Sea, and the fact that Europe enjoys a somewhat higher proportion of total world gas reserves at some 10 per cent., than it does of other fuels such as oil, where its share is less than 4 per cent., it is hardly surprising that governments and European Economic Community officials have seen in gas a way out of their immediate problems over the next decade.

Yet, while natural gas will undoubtedly play an important role in future primary energy requirements in Europe, the tendency of governments and EEC officials to see in it a simple alternative to oil imports or a way of coping with a lower nuclear growth rate clashes sharply with the way in which the gas industries themselves see their problems.

Gas, unlike any other primary energy source, is dominated by the high costs and rigidity of its distribution system. It is the economics of its pipeline investment which must govern all else in its planning, and it is the balancing of demand against supply within this system which must colour all its future planning. During the last decade, the gas industries of Europe have built extensive transmission systems and have cut heavily into the traditional coal and oil markets to justify this investment. Now that the system is maturing, what is worrying them is less how much further they can go in the market than how they can ensure stable supplies to fill their systems over the longer-term future.

The EEC may talk of expanding gas's share of primary energy demand. But the gas industries must be concerned about meeting the continued growth in the fundamental demand for gas in the "premium markets" of cooking and domestic and commercial heating and particular process applications, and about ensuring continued sales into the bulk market on interruptible supply terms to balance out the seasonal nature of this basic demand. While economists and commentators may talk of the considerable potential for gas reserves off-shore North-West Europe, what concerns the gas industries of Europe is the near-term certainty of a decline in their traditional indigenous supplies from such fields as Groningen, Lacq in France and the southern gas fields of the U.K.

The precise picture varies from country to country, depending on the particular nature of the supply pattern and the way in which local gas industries have developed their markets. Analysis is not made easier by the peculiar atmosphere of secrecy with which the gas institutions of Europe, including the U.K., surround their activities. But, broadly speaking, it is probably true that the major indigenous supplies which fuelled the growth of natural gas in the late sixties and early seventies are likely to reach their peak within the next few years and decline quite sharply after that. Groningen, which supplies something like 40 per cent. of Europe's total gas at present, is due to peak out in 1977 at some 9.5bn. cubic feet per day and by 1985 will be down to little more than 7bn. cubic feet per day. Contracted supplies in the U.K., even including the latest commitment for Frigg and Brent gas, will peak in 1982 and are likely to fall at the rate of around 10 per cent. per annum. The traditional sources of indigenous supplies in Germany, France and Italy are all peaking now and should fall at an equal rate in the 1980s.

There is no immediate cause for panic. The extensive supply commitments now agreed for Russian gas and LNG supplies from North Africa, now totalling some 5bn. cubic feet per day of gas by 1985 under existing contracts, should sustain the market through to the next decade without too much difficulty, while additional volumes of off-shore gas should do much to help the particular situations in the Netherlands and the U.K. for example.

Most countries, even accepting some fall in the market share for gas, do not have to worry about sustaining their basic premium markets until well into the next decade. The Netherlands and Britain, with their off-shore reserves, are secure on this point until 1990. Others, such as Germany, might have to accept some fall in their sales into industry and power stations but nonetheless can hold much of their markets to 1985. By the late 1980s, however, virtually all countries will be facing serious shortfalls in supply without additional new contracts. Even in the Netherlands and the U.K., the point at which a decline in existing contracted supplies meets the rise in demand in their existing markets is reached by the mid-eighties and for other countries it is earlier. Yet the gas industry, by the nature of the time and investment needed to set up major pipeline or Liquefied Natural Gas projects, needs to act now if it is to ensure the additional supplies required by then.

Where these new supplies will come from is a sensitive question at the moment. Negotiations for a further 2.5bn. cubic feet per day of gas from Russia are now being pursued by Austria, Belgium, Italy, Sweden, and West Germany. An additional quantity of some 3bn. cubic feet per day of gas from Iran has been mooted and there are talks for perhaps a further 3bn. cubic feet per day of gas from Algeria, either in liquefied form or by pipeline. In addition, there is a possibility of a further 3bn.-4bn. cubic feet per day of gas which might come from the North Sea. But compared with a requirement of perhaps 10bn.-15bn. cubic feet per day of new supplies by the end of the next decade if natural gas is to sustain its market share, the volumes are still not that impressive. The LNG deals between Algeria and a consortium of European companies are still in difficulties [illegible] finance and price and it is far from certain that Nor[illegible] wishes to press ahead [illegible] development at the pace customers might wish. [illegible] discoveries in the North [illegible] and in the Mediterranean [illegible] could alter the picture [illegible] is difficult to see it happen to an extent which would [illegible] ally alter the place of [illegible] the market.

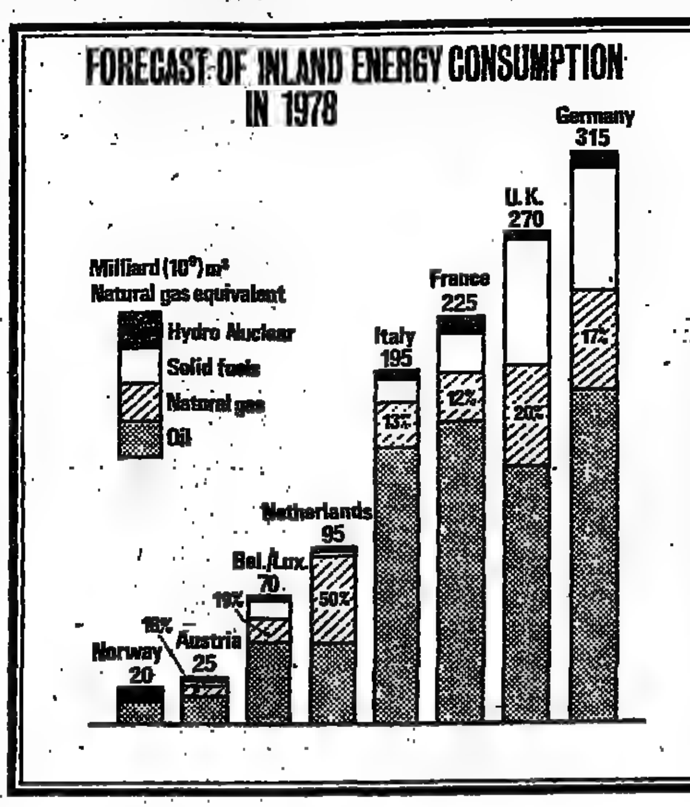
If this picture of a [illegible] rather than a still young natural gas industry [illegible] then the policy questions surrounding its development become quite different [illegible] the public discussion so far [illegible] how natural gas can [illegible] oil imports would suggest [illegible] the options on such issues [illegible] conservation as opposed [illegible] expansion become more [illegible]

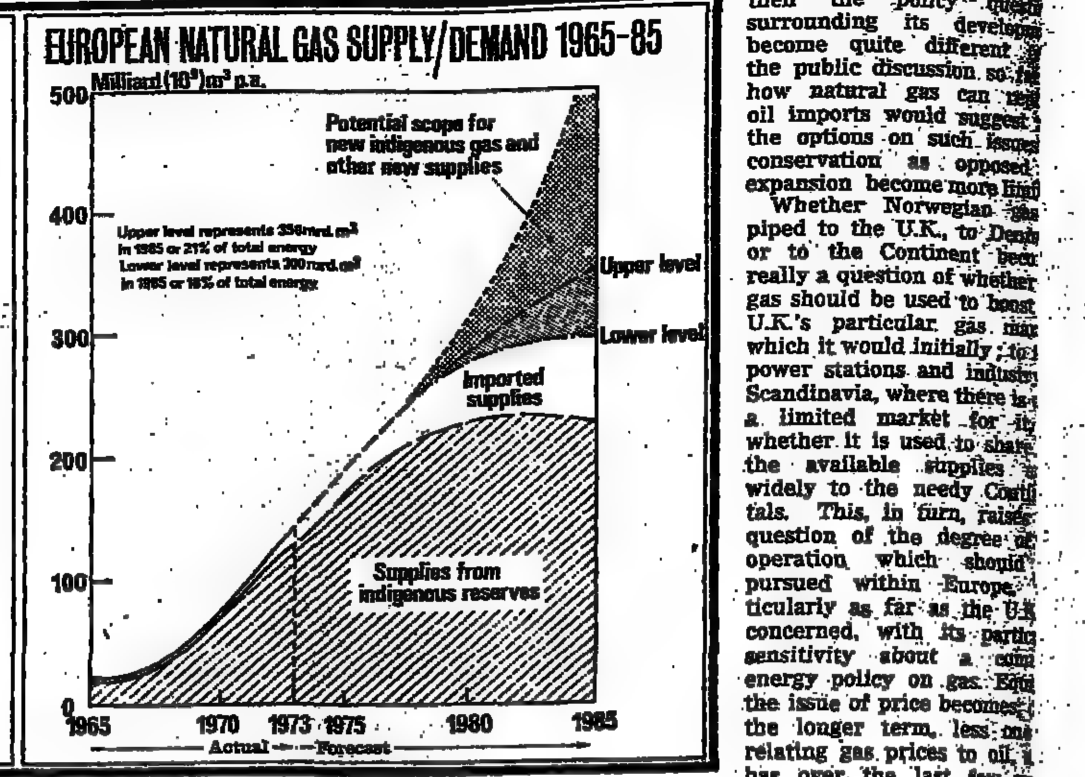
Whether Norwegian [illegible] piped to the U.K., to Denmark or to the Continent [illegible] really a question of whether gas should be used to boost U.K.'s particular gas market which it would initially [illegible] power stations and industry [illegible] Scandinavia, where there is a limited market for [illegible] whether it is used to share the available supplies widely to the needy Continentals. This, in turn, raises [illegible] question of the degree of co-operation which should [illegible] pursued within Europe, particularly as far as the U.K. [illegible] concerned, with its particular sensitivity about a common energy policy on gas. [illegible] the issue of price becomes [illegible] the longer term, less one [illegible] relating gas prices to oil [illegible] has over the last few [illegible] than of relating indigenous prices to the prices of alternative imports required [illegible] sustain an existing gas market.

Build-up less dramatic

Western Europe has [illegible] proved more fortunate than [illegible] U.S. in that the build-up of [illegible] has been less dramatic and [illegible] fall in indigenous supplies [illegible] likely to be considerably more gradual, partly because gas [illegible] not been underpriced in [illegible] way that it has in America. There may be particular arguments over whether Groningen should have been developed at the pace and at the degree of export orientation which it [illegible] or whether the U.K. should have bought Frigg at the particular time it did instead of boosting purchases from additional southern sector fields. But [illegible] broad picture has generally been a successful one.

Nevertheless, like the [illegible] Europe is now having to face a different price and supply picture on gas from the one it enjoyed in the past decade. [illegible] the search to sustain its [illegible] which will dominate the [illegible] decade and it is a search which has important political as well as economic implications.





MEN AND MATTERS

Will Deutsche disclose?

Germany's biggest bank, Deutsche Bank AG, is planning both a London Branch office and a London Stock Exchange share quotation in the near future. The branch office will make it the sixth German bank to re-establish itself fully in London since all German assets in the U.K. were taken over by the state during World War I, but it will be only the second to get a London quotation; the first was Commerzbank.

A spokesman for Deutsche Bank said yesterday that he hoped the quotation would come before the end of the year, and talks have been going on for some time with the British authorities. Indeed the length of these negotiations has given rise to speculation that Deutsche Bank is unhappy about the strict disclosure regulations imposed by the London Stock Exchange, which go further than those required in Germany.

The bank did nothing to dispel this speculation yesterday when it refused to disclose whether disclosure was an issue, but if it is Deutsche Bank will not by any means be the first overseas company to have trouble with stock exchange requirements. A number of French companies for example have been put off because the Stock Exchange has insisted on an independent audit by accountants used to working to U.K. accounting standards.

The Swiss giant Ciba-Geigy apparently ran into problems because it didn't consolidate its accounts to the satisfaction of the quotations department in London, and a number of Japanese companies have shied away because of the British practice of insisting that new shares must be offered to existing shareholders by way of rights rather than the U.S. and Japanese practice of making secondary offerings to the general public.

If Deutsche Bank is having problems over disclosure provisions it is entitled to feel somewhat aggrieved. Although it does not disclose directors' salaries or shareholdings, nor other major shareholdings as would be required by the U.K. Stock Exchange, the bank's last annual report (for 1974) runs to 133 pages and gives a mass of detail that would put a number of major U.K. companies to shame.

Rent bent

With the gilt-edged market sagging a little the Islington Corporation Loan announced this week may not go as well as perhaps the underwriters had hoped. However anyone subscribing for either tranche of the £15m. loan can at least rest secure in the knowledge that Corporation stocks are a better bet than the ill-famed paper of the old Mersey Docks and Harbour Board.

By law, local authorities cannot become insolvent: any deficit at the end of one financial year has to be recouped from hapless ratepayers the following year. This is fine in theory, but in practice of course there is a limit to the burden that can be heaped on ratepayers—and ironically Islington is one of the London boroughs grappling with this very problem.

On top of a heavy capital expenditure—£50m. this year, a large proportion of which goes on its housing programme—Islington, in common with other boroughs, is facing increasing arrears on council house rents. Unfortunately the only legal recourse against rent defaulters is eviction and if the family concerned has children the local authority has a statutory duty to rehouse them—thus putting a further burden on the ratepayer.

The penalty for a failure to pay rates is more severe: owner-occupiers who fall behind in their rate demands are likely to find the bailiffs in after their colour TV's or other belongings. Now some Islington councillors have suggested that all this is a bit unfair, and are discussing the possibility of catching rent dodgers on that notional portion of their weekly rent which actually represents their contribution to the rates.

"The non-arrival of the 8.30 to Waterloo is a rehearsal for the forthcoming cuts."

Wind of change

Tony Buckley has a reputation as a serious if quick-minded accountant, but he manages a dramatic phrase when talking about the way Slater Walker Securities lived through the secondary bank and resulting City crises. "It's been," he declares, "a cyclonic experience."

So much has changed since the days when Jim Slater tutored a range of eager young proteges (Jeffrey Sterling, James Hanson, Herbert Despard to name a few) who went off to try to duplicate at least in some degree the master's success plan. Buckley, now 41, stuck with SWS a long time (nine years), and yet has opted for a road similar to many another former Slater lieutenant.

His new home will be Lamont Holdings, an Edinburgh-based engineering, life assurance, financial (including unit trust) management, and property group. The company is 42 per cent. owned by Ulster Finance, and that has as its present shareholders two Lamont directors, Ulsterman Desmond Lorimer and ex-financial journalist Hugh O'Neill, plus National Westminster Bank. Lamont is taking over investment services at Floreat Investment where Buckley is to become chairman, he and associates being buyers of £500,000-worth of new shares. At Lamont, he will be managing director, and on top of that will take a 25 per cent. stake in Ulster Finance.

After reading law at Cambridge, Buckley did three three-year spells with, successively, a Nottingham accountancy firm, Peat Marwick Mitchell, and Rank Organisation, where he was chief accountant in the overseas film division. He joined Slater Walker when that company was a mere two-year-old. As he heads for Lamont, Buckley thinks "things have calmed down. There is a very interesting period of great change ahead of us."

Never too late

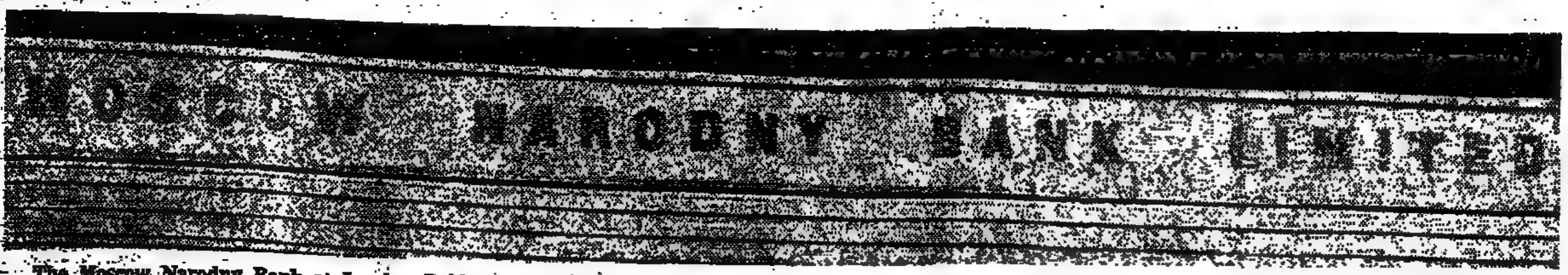
The Irish Management Institute is advertising a "two-day course intended for owners and managers of retail businesses who have no previous knowledge of finance or accountancy."

Observer

هكذا من الأصل

More Eurocurrency borrowing by the Soviet bloc was disclosed this week. David Lascelles analyses the reasons behind the upsurge

Where Comecon is banking on the West



The Moscow Narodny Bank at London Bridge is one of the several outward signs of the East Europeans' involvement in the Western banking scene. Since last spring, they have broken so much new ground that they could shortly become a major force to be reckoned with, even in their lending.

THE East Europeans are no trangers to Western capital narkets. It is often said that hey make just as good bankers s people reared in the capitalst system. But whereas they ised to be known as regular, if inspectacular borrowers, a hange has recently come over hem that might almost be alled dramatic. Since only ast spring they have broken so nuch new ground in their borowing and even in their lendng that they could shortly become a major force to be eckoned with.

By the end of this year the oviet Union and the Comecon anks will have raised, Western ankers expect, over $1bn. in urocurrency loans, with the rospect of more loans next ear. Individual countries, specially Poland, have also aised several hundred million ollars, pointing to total Comecon borrowing this year of t least $1.5bn., more than twice he amount the bloc normally orrows.

On top of this, the Russians ave stepped up their practice f lending back to the West nuch of the money borrowed, nd even took the unprecedened step of helping to get a oan off the ground for Turkey, member of Nato.

Historic

The stream of loans started vith $100m. for the Soviet oreign Trade Bank, itself a istoric event since it was the rst time that the Bank, which imultaneously celebrated its 0th birthday, had sallied into he Eurocurrency markets. Whether or not politics deanded that the Russians be he first to test the market, this oan seemed to be the signal to he rest of Comecon.

The summer months saw a succession of loans including $240m. for Poland, another history-making loan since it was the first time a Comecon borrower bowed to pressure to give details of how the money was to be spent: Poland wanted it to develop new copper deposits.

Meanwhile, the Soviet Foreign Trade Bank returned for a second loan, this time for $250m., while this week news emerged of a $240m. loan for one of the two Comecon banks, the International Investment Bank (IIB) which finances capital projects within the grouping. Before the year is out, Western bankers expect to see a third foray by the Soviet bank, possibly for $300m., and another $250m. Polish loan, this time for coal development. There might also be another major loan for the IIB to finance a gas pipeline project.

All together the sums involved are so large that bankers have still to work out the implications. Why, for instance, are the East Europeans borrowing at commercial rates when they can obtain subsidised export credits at nearly half the cost? And how long can they expect to go on borrowing at this rate without breathing a word about their reserves, one of their most closely guarded State secrets? And why are the Russians going to the expense of borrowing at all when their balance of payments position is believed to have improved sharply thanks to higher oil prices?

The timing of all this borrowing is not accidental. The whole of Comecon is currently engaged in drawing up the next Five Year Plans which go into operation next year, and since much of the capital equipment for the scheduled projects will be bought in the West, finance must be the first step. At the same time, Comecon has launched a major drive for greater self-sufficiency in raw materials and energy. It is notable that the two big Polish loans, for coal and copper, fall into these categories, as does the Comecon gas pipeline project.

For all we know, the Russian loans may be destined for development of Siberian oil and gas which is now getting top priority. The loans raised by the Comecon banks may also be for joint projects to develop raw materials like the asbestos and timber which lie in the Soviet Union.

But while Western bankers have no doubt that the money will be used responsibly, they can only guess that it will actually be spent on projects like these. For Comecon re-

COMECON'S RECENT MAJOR BORROWINGS

Date	Borrower	Amount
1974		
Dec.	IBEC (Comecon trade bank)	$50m.
1975		
Jan.	Soviet Union	$100m.
Feb.	Hungary	$100m.
	GDR	$50m.
Mar.	IIB (Comecon investment bank)	$70m.
Apr.	Poland	$240m.
	Soviet Union	$250m.
May	Poland	$50m.
June	GDR	$50m.
	Cuba	DM200m.
Sept.	IBEC	$240m.

mains very secretive about its finances. No Soviet bloc country has published figures on balance of payments or reserves since the Communists took over, and the Russians themselves stopped giving figures for gold production in the 1930s.

The question now is whether the Comecon countries should be made to disclose more if they want to borrow more; in short, play the game like other borrowers.

In this context, the Poles' willingness to talk about their copper plans is seen as a useful shift, especially since the loan agreement gives lenders the right to look at the books and, if they think necessary, order Poland to sell more of its copper for hard currency. Poland is unlikely to have broken ranks without permission, but banking circles get the impression that the rest of Comecon will be slow to follow suit.

For lack of further information, Western bankers assess a Comecon country's creditworthiness on two counts: its repayment record and calculations of the balance of payments based on official figures for visible trade, and estimates of invisible trade.

The repayment record presents no problem since no Comecon country has been known to default for obvious political reasons. Comecon is certain to be guaranteed by Soviet gold, and indeed there was recently a carefully-placed report of Moscow hurrying a consignment of gold to one of the grouping's smaller members said to be in payments difficulties.

But if Comecon enjoys a common creditworthiness, this also means that a default by one member would reflect on all the others. For this reason, bankers believe that, if Comecon ever were to default, it would do so en masse, which is reassuring since this would be such a shattering event that it could be undertaken only in the direst circumstances.

Assessing balance of payments has become a very tricky task in the last 12 months because of the turmoil into which Comecon has been thrown by Western inflation and its own fundamental price restructuring. Some countries, like Hungary, make no secret of their large trade deficits, and it is generally assumed that the whole of Comecon is going through a tight phase.

Difficulty

Even the Soviet Union is thought to be in some difficulty because earnings from oil and other valuable commodities have been offset by greatly increased purchases from the West. Its problems first became obvious to surprised observers when preliminary trade figures for 1974 were published last spring. Instead of the massive surplus predicted by, among others, the CIA, the Russians turned in a surplus of only $160m. on their trade with the West. And this year they are believed to have plunged deep into the red again. According to rough figures prepared by American officials on the basis of Western countries' returns on their Soviet trade, the Russians are already at least $1.4bn. down on their Western trade this year, and that does not include grain purchases.

At the same time, the Russians are going steadily further into debt. In 1973, they owed $8bn. and the total will have risen sharply since then. According to the Economic Commission for Europe the Soviet Union's debt is now equivalent to around 20 per cent. of its hard currency export earnings, which is close to the internationally accepted limit.

In the same 1973 count it was estimated that Comecon as a while owed $17.6bn., a figure which must, again, be revised upwards to reflect the recent surge in borrowing.

But though the trends appear to be worsening steadily, this is not seen as great cause for alarm. The East Europeans have historically been more frequently in deficit with the West than in surplus. And there is always the reassuring knowledge that they have the means, through their tightly centralised foreign trade monopolies to correct things swiftly and effectively if they get out of hand. If all else goes wrong, there are also an estimated 2,000 tons of gold in the Russian vaults.

This helps to explain why the East Europeans still manage to obtain excellent terms for their loans despite their secretiveness. Another factor here is that bankers foresaw a growing volume of Comecon business and were prepared to take a cut in rates in the early stages to get in on what could turn out to be a profitable act.

But things may now change. Along with the evaporation of the novelty and the growing feeling that Comecon should be treated like everybody else, many banks now are so full of Comecon loans that there simply is not room for more. So the East Europeans could face tougher bargainers when they next sit down to negotiate.

And there seems little doubt that they will come back for more. The fact that they have gone over to Eurodollar borrowing when they could still finance much of their trade from export credits suggests that a new attitude towards credit is taking hold. What the East Europeans want is finance, with all the flexibility and power it brings, and not just tied credits which they sometimes never even see. Finance is also well suited to the Comecon system, since it means that one country can borrow on behalf of another and move the money around.

Ambitious

Another consideration must be the U.S. Congress' continuing refusal to grant credits to several Comecon countries, including the Soviet Union, forcing them to find other ways of paying for their purchases.

But perhaps the surest sign that Comecon will keep on coming back is that the East Europeans are now very ambitious. Access to Western credits and technology has put projects within their grasp that would have been little more than dreams ten years ago, and public expectations have risen accordingly. To serve and fuel these projects they are having to travel farther and dig deeper for raw materials, all of which adds to the constantly mounting bill.

Letters to the Editor

Motor imports and exports

rom the Chairman, ltic Investments.

Sir,—The article, "Behind the glitter of car incentives" (Sepember 5), highlights the probems created for the motor ndustry now (and many times n the past) when Chancellors of he Exchequer try to regulate the conomy by the use of hire purhase controls.

Problems of extended delivery lates from British manufacurers created the opportunities or foreign manufacturers. As a esult, the balance of payments s affected and all the other onsequences with which we are amiliar arise. Now there are ries from the Left for controls n imports. This would be selfefeating because of retaliation, ince, in spite of all the specacular figures for foreign car ales, British motor manufacurers overall export more than he retail and distributive trade nports.

However, it might be possible produce import restrictions by aving HP controls on imported roducts different from those on ome-produced products. For stance, it may be that a 33 per nt. deposit is required for an P deal on a foreign car washg machine, freezer or television t but only a 10 per cent posit in respect of a product which more than 50 per cent. is of home manufacture.

While this could be regarded m abroad as home preference, aliation could not be applied the same way since most couns es do not operate HP controls. I have not developed this idea detail since I am not in the otor trade and have enough oblems of my own, but I do nk that wiser heads than mine uld produce an effective solun along these lines.

R. A. Wood,
stle Vale Industrial Estate, nworth, Sutton Coldfield, arwickshire.

British models' reliability

om Mr. D. C. Hopewell.

Sir,—The first component to l on a two-year-old British yland Allegro was the windeen washer pump which is ctrically operated. I was more n a little amused to find that s part is manufactured in pan. Inscrutable attempts to termine the reliability of tish cars, maybe, or is there competitive all-British counpart?

C. Hopewell,
Eskdale Avenue, Bolton.

Car sales incentives

om Mr. J. F. Barnes.

Sir,—Peter Foster's article, ehind the glitter of car incenes" (September 5), concludes h the comment that quality l reliability is all the marketcars need.

Not quite all, I suggest! What ut design appeal? British car ly design is hopelessly ind the times and the modern tish car looks old fashioned l entirely lacking in eye eal.

We need more flamboyant igns; bumper bars that are cious and impressive and do look like curtain rails; body tours that excite and attract ntion; impressive arrays of t clusters and fascinating gets.

Unless we wake up to what appeals to the motorist the world over the British car will suffer the same fate as the pennyfarthing. After all we have become brash in our dress and manners—why not our cars?

J. F. Barnes.
14, Venture Close, Bexhill-on-Sea, Sussex.

Leyland shares

From Mr. R. Wogin

Sir,—Mr. Westcott (September 6) is undoubtedly right when he says that there must be many small British Leyland shareholders, like himself, who have been left with their shares by a misadventure of one sort or another. I had a similar experience to his, and of course no one is interested in the small shareholder. 10p was a poor return, but to be left with no alternative but to realise 4p on the open market because of the way the "election" was conducted seems a poor end point.

On July 25 the Times reported that 46 per cent. of the small shareholders "by design or default" had been left with their shares. There must be many shareholders who are "defaulters" but who had no wish to hold on to their shares.

Surely, considering the doubts about the election, the Government could re-open the offer to those holding shares prior to July 25. The purpose of the election was to give the Government a controlling interest, and this would be to its advantage.

R. Wogin.
5, Westcliffe Gardens, Old Brumby, Scunthorpe, Lincs.

Factory conditions

From HM District Inspector of Factories, East London District.

Sir,—I think Mr. John Clements (September 3) has misunderstood Press reports when he says that the Factory Inspectorate is to be reduced. The number of offices is being cut; but this is part of a major re-organisation which, it is hoped, will make the Inspectorate more effective. The number of inspectors is to be increased. Indeed, preparation for a large intake by the end of the year is now in hand.

I am bound to agree with Mr. Clements that there are unsatisfactory conditions in small factories in East London; although he is over-stating his case when he *says* there are hundreds of such places. The problem is mainly one of the clothing trade in and around Whitechapel, where there are many scruffy little workshops in slum buildings, in some of which the fire risk is high. However, I strongly deny that these factories escape the attention of the authorities.

In the past 12 months we in the East London District of the Inspectorate (which covers the City and most of Tower Hamlets) have prosecuted 28 clothing trade firms for such things as locking fire doors, failing to have steam iron boilers examined, dirty conditions and child employment. In January I issued one of the first-ever Prohibition Notices under the Health and Safety at Work Act. This arose from the use of highly flammable simulated fur fabric. Since that time we have issued 21 other Notices against firms or persons involved in the clothing trade. There have, of course, been many confrontations with factory occupiers and owners of buildings where improved performance has been achieved without legal action. Generally, multi-storey buildings requiring fire alarms under the Factories Act now have them.

The authorities have not been inactive and if Mr. Clements will tell me of any particular factory he thinks has escaped notice I will investigate and take whatever action I find necessary.

G. L. Ventris,
HM Factory Inspectorate.
Marlon House, 71-74, Mark Lane, London, E.C.3.

Vivid reminders

From Mr. R. J. Boyd.

Sir,—Lex (September 1) begins with the statement: "The Hutchison International affair is a vivid reminder of the risks involved in investing in comparatively unregulated overseas markets."

To overseas investors, the sterling exchange rate, British Government securities, Rolls-Royce, Burmah Oil, British Leyland and numerous well-known companies constitute vivid reminders of the risks involved in investing in an incompetently managed economy with misguided financial institutions.

R. J. Boyd.
7, Kellett Grove, 9, Mount Kellett Road, Hong Kong.

A changing language

From Mr. M. F. G. Haywood.

Sir,—While agreeing with the sentiments expressed by Mr. A. T. Lamb (September 6), I must take him up on his opinion that the correct use "of the English language is dying." I take the view that it is evolving in the way that such changes take place in the structure of any establishment with the passing of time.

Pepys's Diaries have shewn how the meaning of everyday words has altered through the centuries, and while Gillian Widdicombe's Anglo - Saxon plural of a Latin word may offend purists, surely it is no more than an indication that the word has been absorbed in our everyday language.

The fantastic thing is when you meet up with a word situation that absolutely throws you like all those who stand up to be counted when the media gets into the act. But this is never ever wholly meaningful, and as of now you have got to live with it. It should not preclude contact with the grass roots.

While the above phrases and expressions have been culled at random from a representative assortment of this week's Sunday papers, Mr. Lamb should always draw comfort from the certainty that in the long run the spurious use of words is recognised for what it is, and that our language may be enriched by some happy adoption of a foreign hybrid. At least, we are spared from having to suffer Franglais the way it seems to be accepted in France.

M. F. G. Haywood.
Flat 31, 3-8, Porchester Gate, London W.2.

Use of words

From Mr. R. B. Browne.

Sir,—While I sympathise with Mr. A. T. Lamb, his letter (September 6) calls for reassurance that the English language is *not* dying. It is changing. Only when a language ceases to change does it die and become dead, like Latin.

He confuses *incorrect* use with *changing* use of words. He is right in his assertion that the plural of concerto is concerti (though this is not English), but he is wrong when he condemns "ring you" for "telephone you." "Telephone" was a noun. Now it is also a verb. I was recently amused by the pedantic reference "to my telephonic communication" in a lawyer's letter. If we all agreed with Mr. Lamb, we would still say: "I will communicate with you by telephone." "Ring you" is shorter, explicit, and correct. When I ring Mr. Lamb, I will not know until he answers my ring whether I will communicate with him by telephone or not!

I deplore many changes made by wrong usage such as *while* away the time, when *wile* away the time is meant. Imports from America such as "meet up with" for "meet" are horrible. Will Mr. Lamb feel insulted if I hope he will be *gay* at Yuletide?

Mr. Lamb and I may both be old enough to deplore change, but if so, it is we who are dying, not the language.

Ronald B. Browne,
Latimer Lodge, West Kington, Chippenham, Wilts.

Rates and rents

From Mr. E. L. Oliver.

Sir,—It may not be generally known that local authorities now have a greatly increased power to charge rates on empty properties. Some already levy partial or full rates in such cases but, henceforth, they are required to make a surcharge on commercial premises after six months vacancy. This surcharge is double rates for the first year, treble rates for the second year, quadruple rates for the third year and progressively thereafter. Some reliefs are available, but, generally, if the premises are capable of occupation they are liable, although in some cases it may be possible to obtain a reduction in the rating assessment so as to mitigate the charge.

One result of the surcharge could be an acceleration of the falling rents of shops and offices. Landlords faced with this penalty and with the realisation of a further impost next year may be forced to accept lower bids to avoid liability.

E. L. Oliver.
Cyril Leonard.
53, Brook Street, Grosvenor Square, W.1.

Economic forecasting

From Mr. B. A. Lewis.

Sir,—Lombard (August 27) nicely placed the problems of economic forecasting into perspective. I do not think, however, that the statistical basis of forecasting has much wrong with it. What is wrong is that a major variable is missing—the social variable. This should apply to all forecasts, based on the observation that all men invariably interpret figures to support their own hopes, wishes, or state of mind. The presentation of the figures so often has little to do with the facts. It is, in effect, an emotional response: and since emotional responses are largely subconscious it is exceedingly difficult to convince people that their decisions are based on a great deal of irrational premises.

When a politician states that the economy will recover in six months, it will probably take 18. The social factor here is 3. The politician is not really expressing a view based on the statistics as such, but a hope and a pious hope at that. It would be unfair to blame economics for these failures.

The second problem concerning economic forecasting also revolves around human behaviour. This is the factor of inertia. It is quite impossible to suppose that, once 50m. people have been set on a certain economic road, it is possible to change direction rapidly or easily. Many are constitutionally incapable of accepting change until forced by harsh circumstances; others are overwhelmed by pessimism and save or hoard when this is directly contrary to official policy, merely aggravating the fall in consumption and the increase in unemployment. Yet others have heard "cry wolf" too many times to listen.

This inertia in society makes it inevitable that change takes place much more slowly than the wishes or the emotion of those in authority would otherwise dictate. The time required to respond to major changes of policy cannot be much less than 24 months because of this social inertia.

I suggest, therefore, that it is unfair to blame the study of economics as such for the present failures to predict future trends, and that more time should be devoted to the study of emotional response of those in authority to (unpleasant) facts and figures, and secondly to the study of inertia of reaction in society as a whole.

B. A. Lewis.
53, Matlock Way, New Malden, Surrey.

Technical progress?

From Miss J. M. Pick.

Sir,—Lombard (September 8) repeats the assumption that technical progress equals loss of jobs, and that the industrial investment needed to make good the loss is excessively risky.

Indeed it is more risky, if investment follows the Harold Wilson/Jack Jones theme of "more power to the worker's elbow." Fewer men with greater power—and where is all the Megawattage coming from? From the Arabs? Risky. From the North Sea? Fraught with risk. From nuclear fission or fusion? The risks hardly bear thinking about, so many economics experts do their best to forget about them.

Perhaps the Wilson/Jones line is diametrically wrong, and "less watts per worker" is a more practicable investment slogan? Is it technically possible? Yes, and then technology can move, to the part of its progress curve in which technical progress equals more jobs—just what is wanted.

Is it economically feasible? Arguments can be weighed against it, so long as those in charge of investment decision believe in the Wilson/Jones heresy, in which case there are simply insufficient market openings for alternatives.

Conversely, if the heresies can be exposed as such, alternatives become credible; opportunities are there to be seized. And they are subject to less technical risk, less human risk, less economic risk in general, so perhaps the private investor would be more inclined to put his savings in them, and the Government need no longer think of manufacturing money for investment purposes.

J. M. Pick.
23, Maybourne Grange, Turnpike Link, Croydon, Surrey.

To-day's Events

GENERAL

Inter-Parliamentary Conference continues at Royal Festival Hall.

Institute of Bankers Cambridge Seminar—paper on Branch Banker as an Adviser by Mr. G. W. Taylor, assistant chief general manager, Midland Bank.

United Nations sixth special session on "new international economic order" continues in New York.

Financial Times and Oil Daily two-day conference on World Coal opens at Europa Hotel, London.

Lord Mayor attends Building Societies' Associaiton luncheon at 81, Coleman Street, E.C.4, 12.30 p.m.

OFFICIAL STATISTICS

Borrowing by local authorities (second quarter). U.K. balance of payments (second quarter).

COMPANY RESULTS

Felixstowe Dock and Railway (full year).
Guinness Peat Group (full year).
Wm. Collins and Sons (Holdings) (half year).
Guardian Royal Exchange Assurance (half year).
Phoenix Assurance (half year).
Steetley (half year).

COMPANY MEETINGS

Clive Discount, 1, Royal Exchange Avenue, E.C., 12.
Econa, Solihull, 12.
Ferranti, Millbank Tower, S.W., 11.45.
Heron Motor, Connaught Rooms, W.C., 12.
Hicking Pentecost, Nottingham, 12.
India General Navigation and Railway, 40, St. Mary Axe, E.C., 12.15.
Ratners (Jewellers), 95, Wigmore Street, W., 11.30.
Richards of Sheffield, Sheffield, 12.
Western Motor, Plymouth, 11.45.

THEATRE

New British musical, Happy as a Sandbag, opens at the Ambassadors, London, 7 p.m.

COMPANY NEWS + COMMENT

Reckitt & Colman profit up 14% so far

FIRST HALF 1975 sales of Reckitt and Colman advanced by 10.7 per cent. to £173.4m. and taxable profits increased by 14.1 per cent. from £15.23m. to £17.37m.

The chairman, Mr. A. M. Mason says that the improvement was achieved despite the severe economic problems facing the U.K. and most countries overseas. Both the U.K. and overseas businesses contributed to the result.

The recovery in U.K. profit was, however, only modest in comparison with the severe fall in the corresponding period of 1974, performance varying very much from division to division.

Progress in overseas trading profit was satisfactory: the company in North America maintained its position, despite the continued recession in the U.S.

Three-quarters of Reckitt and Colman's business is overseas and the considerable weakening of sterling, in relation to most other currencies in the first half of 1975, resulted in a benefit from exchange differences of £1.32m.

In view of the overall uncertainty in trading and economic conditions throughout the world, it is extremely difficult to forecast the likely outcome of the year as a whole, Mr. Mason tells members. "However, I am looking forward to continued progress."

Earnings are shown to be up from 10.9p to 14.1p per 50p share, and the interim dividend is lifted from 3.551p to 3.7895p net, costing £2.3m. Last year's total was 8.096p. Sales were £319.39m. and taxable profits £28.44m.

	First half 1975 £000	1974 £000
Sales to customers	173,400	156,608
Trading profit	18,640	17,290
Net interest payable	2,300	1,350
Exchange profit	1,320	*500
Profit before tax	17,370	15,230
Tax†	7,690	7,770
Minorities	1,040	870
Preference dividends	80	80
Attributable Ord.	8,560	6,530

* Loss. † Includes deferred tax, consists of: U.K. corporation tax after relief for overseas tax £1,600,000 (£1,770,000) and overseas tax £6,090,000 (£6,000,000).

To provide fair comparison figures given for 1974 exclude results of certain subsidiaries for additional two months of trading included in the 1974 accounts following decision to change the year-end to that of Reckitt and Colman. Amounts were, sales £14.9m., trading profit £0.91m., profit before tax £0.71m. and attributable £0.19m.

Statement Page 22

See Lex

INDEX TO COMPANY HIGHLIGHTS

Macfarlane first half progress

ON A TURNOVER up from £3.22m. to £4.17m., pre-tax profit of Macfarlane Group (Clansman) increased from £387,000 to £401,000 in the first half of 1975.

Although second half results will be affected by current economic conditions, the directors are confident that a "satisfactory outcome" for the year will be achieved. Profit for 1974 was £0.79m.

Stated earnings per 25p share for the half year increased from 4.65p to 4.825p. The interim dividend is raised from 1.3p to 1.5p and the directors are keeping to their forecast of a net total of 3.126p on capital increased by the June rights issue (2.817p).

Total acceptances regarding the rights issue were received in respect of 98.5 per cent., with those outstanding being sold.

Tax for the six months absorbs £208,000 (£201,000), leaving a net profit of £193,000 (£186,000 less £35,000 expenses in connection with the merger and restoration of listing in 1973).

The group is engaged in the manufacture and distribution of packaging, plastics and metallising, specialists printing and office supplies, and is a major packaging supplier to the whisky industry.

● comment

Macfarlane, which is a major importer of Scandinavian paper, has been hard hit by the falling pound and this together with delays in passing on production cost increases has led to a fall of almost 2½ points in pre-tax margins. But within a 30 per cent. rise in turnover the group achieved a fairly significant volume gain and this has allowed it to increase half-time profits by 3 per cent. before tax. Demand from the whisky industry (roughly a third of total sales) has started to fall away in the current year while volume elsewhere appears to be flattening out. But the group is currently engaged in a cost cutting operation, which over the last year has by natural wastage reduced the work force from 850 to 750, and it is hoping that this will enable it to achieve unchanged profits in the full year. Furthermore, Macfarlane is currently sitting on a healthy cash balance (around £650,000), following the recent rights issue, which it intends to use to expand its specialist packaging activities. This seems to support a forecast yield of 8 per cent. at 62p.

J. Saville Gordon tops £0.84m.

TURNOVER for the year to April 30, 1975 of J. Saville Gordon Group expanded from £23.21m. to £27.5m. and pre-tax profit rose sharply from £574,420 to £844,327, after £412,356, against £240,502, for the first half.

Stated earnings per 10p share increased from 5.94p to 8.13p, and the dividend is stepped up from 1.3625p to a maximum permitted 1.4864p with a final of 0.8264p.

The chairman, Mr. J. D. Saville, feels that profit for the current year will not be disappointing, but that it is impossible to make a meaningful forecast at present.

	1974-75 £	1973-74 £
Turnover	27,496,221	23,206,067
Pre-tax profit	844,327	574,420
Taxation	440,004	313,512
Net profit	404,323	260,908
Attributable	396,835	254,320

The business is that of metal merchants, processors and engineers' merchants.

● comment

Second half volume has held up surprisingly well at J. Saville Gordon with the result that pre-tax profits have increased by 39 per cent. (excluding surplus property sales), incorporating a second half increase of 18 per cent. However, the better prices seen in stockholding (on tubes for example) are unlikely to offset poorer volume here in the first half of the current year. Stainless steel processing, having drawn strength from its heavier bar and plate products, may now face a downturn and the non-ferrous end of scrap metal merchanting (about one half of U.K. profits) must give cause for worry. The German subsidiary, meanwhile, has maintained its profits contribution at around £120,000 and should have sterling depreciation on its side this year. In reflection of lower metal prices, net cash balances have apparently increased by £140,000 to £375,000. The shares moved 1p higher last night to a new high of 25p. At this stage of the cycle, a p/e of 3 and a yield of 9.2 per cent., covered 5.6 times is not a demanding rating.

Esperanza ahead by £720,000

THE RECORD profits for the year to March 31, 1975 expected by Esperanza Trade and Transport turn out to be £2.75m. compared with £2.03m. after £1.48m., against £0.96m., for the first half.

Earnings are shown to be up from 9.4p to 12.9p per 12½p share and the dividend is lifted from 3.745p to the maximum permitted 3.984p net with a final of 2.484p.

	1974-5 £000	1973-4 £000
Turnover and fee income	15,405	11,491
Profit before tax	2,752	2,039
International services	1,618	933
Copper & pyrites	1,372	1,132
Associate	—	91
Expenses finance	238	158
Taxation	1,368	1,085
Minority interest	126	42
Earnings	1,257	903
Extraord. credits	62	*23
Available for holders	1,319	880
Dividend	324	302

* Debits.

The chairman, Lord Kissin says that profits from International Services increased by 73 per cent. to £1.6m. and will continue to be the most important source of revenue. These services comprise Loss Adjusting (Graham Miller), Cargo Superintending (Caleb Brett), Non-Destructive Testing (B.I.X.), Laboratory Consulting Services (Bostock Hill and Rigby and Consultox) and Shipping and Forwarding. Offices are maintained in 30 countries. Clients cover a wide range of international business, more particularly the oil and petro-chemical industry, insurance underwriters and international trading concerns—also government agencies.

Profits were particularly influenced by the development of the overseas offices and by the non-destructive testing operations in the North Sea.

"The company has now fully established in its International Services a source of expanding revenue soundly based internationally, independent of the company's copper interests," states the chairman.

Profits from copper were influenced, as forecast, by the forward sales of copper from the Limni Mine, which resulted in the company receiving a higher price than the average copper price on the London Metal Exchange for the year.

● comment

Esperanza's concentration on its international services division is continuing to pay off. As expected at half-time, the copper profits took a sharp dip in the second six months but accelerating growth from the international services side—from 56 per cent. at the interim stage to 89 per cent. in the second half—enabled the group to lift the year's pre-tax level by 35 per cent. The copper price has remained at a low level so far in the current year (at £590 per ton it compares with a peak of around £1,400 reached in April 1974) and a further reduction in profits from this side of the group must be on the cards. However, Esperanza is continuing to expand its international services by opening new offices throughout the world, and with most of the sub-divisions still advancing at a fast pace, particularly the loss adjusting and testing services, overall profits should remain on the upward trend in 1975-76. Moreover, group liquidity is at least as strong now as it was at the 1973-74 year-end when net cash balances totalled £0.8m., and that provides a sound base for the shares which at 76p yield 8.3 per cent., covered almost 3½ times.

J. Jarvis fully occupied

DUE TO the present economic uncertainty the chairman of J. Jarvis and Sons, Mr. D. B. Jarvis, does not expect an upturn in building work in the current year, but he tells members that the company is fully occupied and contracts are progressing satisfactorily.

He does not think that turnover will increase substantially this year, but the value of work in progress brought forward from last year is satisfactory.

The new office at Newcastle upon Tyne has now a number of contracts in course of construction and with offices in Manchester, Southampton and London the group is now able to carry out building projects in most areas of England.

Jarvis Geochemical, the foundation specialists, are at present busy and should continue to be fully employed during the year.

Haines and Jarvis, the owners of an industrial building at High Wycombe, made only a small profit in 1974-75 due to the combination of increased costs and a freeze on commercial rents. This rent freeze has now been lifted and rents due for revision have now been increased which should give an improved profit this year.

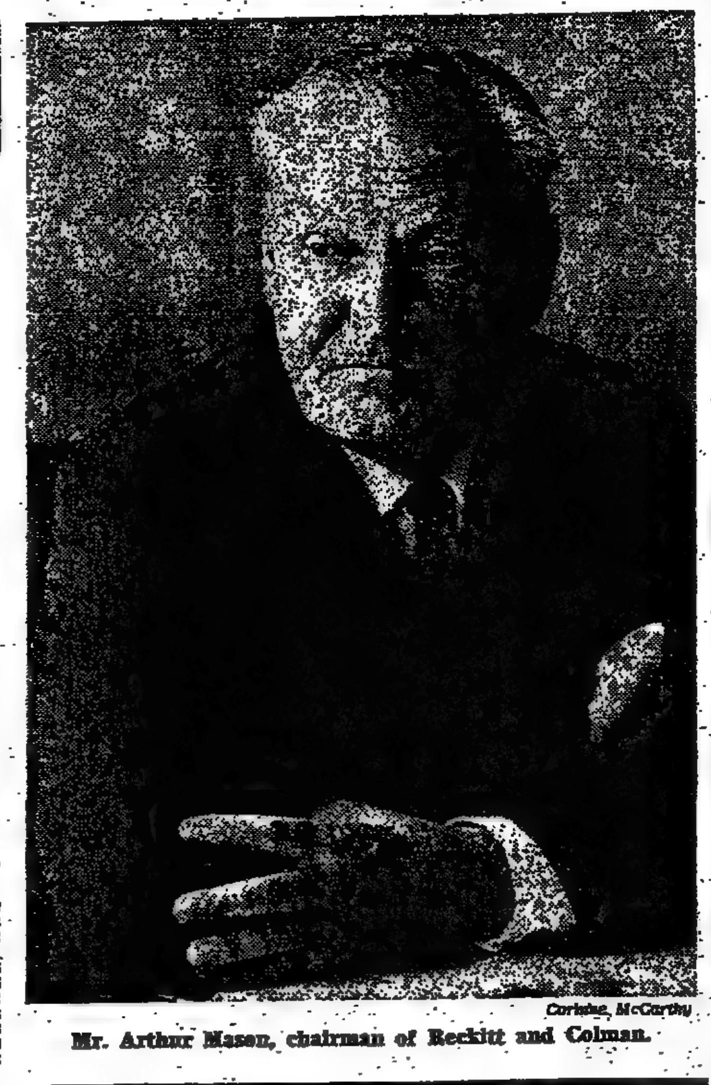
Jarvis Property Company's loss was caused by exceptionally heavy running costs in the year, which under the terms of the leases are not recoverable from the occupants until the following year, so this company also should show better results this year.

As reported on August 2, taxable profits fell from £524,527 to £436,512 in the year to March 31 after an increase in the payment to the pension fund from £35,820 to £135,936. The dividend is 7.1432p (6.7766p) net.

Meeting, 239, Vauxhall Bridge Road, S.W., on October 1, at 11 a.m.

ASSOC. PAPER MILLS NAME CHANGE

At an EGM of Associated Paper Mills a resolution was passed changing the name to Associated Paper Industries.



Carlisle, McCarthy

Mr. Arthur Mason, chairman of Reckitt and Colman.

DIVIDENDS ANNOUNCED

		Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Audiotronic	int.	1.63	Jan. 2	1.68	—	5.33
B'ham. & District Tst.	int.	1.0(c)	Oct. 10	0.7	—	2.75
Blakey's (Castings)		1.61	Oct. 1	1.51	1.61	1.51
Richard Costain	int.	2.0	Dec. 9	1.75	—(a)	3.89
Diploma		1.44	—	1.39	2.17	2.03
Esperanza		2.48	Nov. 10	2.25	3.98	3.75
Hindson Print		2.1	—	2.02*	3.15	2.95*
Jove Trust	int.	1.63	Nov. 28	2.01	—	3.64
Land Investors		1.26	Nov. 1	1.26	1.61	1.61
Macfarlane Group	int.	1.5†	Oct. 10	1.3	—	2.82
Reckitt and Colman	int.	3.79	Jan. 7	3.55	—	8.1
J. Saville Gordon		0.83	—	0.84	1.47	1.36
Union Corporation	int.	12(b)	Nov. 12	12	—	42

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. (a) Maximum permitted total intended. (b) South African cents. (c) Not to indicate higher total.

Merchants Trust goes ahead

FIRST HALF, to July 31, gross revenue of Merchants Trust has improved from £899,423 to £974,398, with stated net earnings per 25p stock unit advancing from 0.97p to 1.01p.

The net interim dividend is again 0.7p per unit, equivalent to a lift from 4.179 per cent. to 4.308 per cent. gross. Total for the year to January 31, 1975, was 1.8p net paid from earnings of 2.05p.

The results take account of conversion of £1,441,299 4 per cent. Convertible Loan 1990-95 on August 1, 1975. Interest on the stock converted ceased to accrue from the last payment date (March 6, 1975) but the resulting 2,161,948 Ordinary units rank for the interim now declared.

Valuation at July 31, 1975, of investments including net current assets £475,518 (£2.5m. at January 31, 1975) and 100 per cent. of investment premium £5.2m. (£4.8m.) was £33.5m. (£27.7m.). Net asset value per 25p Ordinary unit is shown at 60p (47p) and adjusted for conversion of Loan stock at 60½p (49p).

ISSUE NEWS

Corn Exchange Introduction

Arrangements have been completed by Kleinwort Benson for the introduction of the issued capital of The Corn Exchange amounting to £278,020 in 10p Ordinary shares.

Although the primary function of the company is to provide a Corn Exchange, the principal source of income is derived from rents on freehold property extending between Mark Lane and Seething Lane, London, E.C.3. This is comprised of the market complex and three office blocks amounting to 100,000 square feet, of which 52,000 square feet is office accommodation, most of it let to outside tenants. A valuation of the property as at July 31, 1975, states the capital value of the land as £7m. and the net annual rental income before tax as £0.5m.

Rents receivable have increased from £55,000 in 1970 to £296,000 in 1974 while market subscriptions declined from £27,000 to £20,000 during that period. Pre-tax profits meanwhile increased from £65,000 to £217,000.

All available office accomodation is presently fully let, and the decontrol of office rents has enabled the company to achieve a substantial increase in rental revenue during this year. For the six months to June 30 rental income was £170,000 and pre-tax profits £129,000. The directors forecast that for the year ending December 31, 1975, pre-tax profits should be in the order of £240,000, and on this basis they anticipate a final dividend of 0.8125p per share making a total of 1.625p per share net.

The Corn Exchange had indebtedness on August 20, 1975, of an unsecured bank loan of £59,000 and a mortgage of £216,840. The directors are not making any forecast for the year to December 31, 1976, but consider that the company is well placed to maintain its position in the foreseeable future.

Brokers to the introduction are Keith Bayley Rogers and Co. and dealings are expected to start on Tuesday, September 16.

Prospectus Page 27

See Lex

NORMAND—92.8%

Norman Electrical Holdings rights issue of 1.6m. shares at 25p per share to raise £0.4m. has been taken up as to 92.8 per cent. The balance has been sold at a premium and the proceeds will be distributed to shareholders entitled thereto except that no payment will be made for less than £1.

PAHANG CONSD.

A scrip issue of one-for-five in 25p shares is proposed by Pahang Consolidated. The directors expect to maintain the 1.875p dividend on the higher (£9.6m.) capital.

Also under consideration is a subdivision of the shares into 10p, and a transfer of domic[ile from] the U.K. to Malaysia, su[bject to] approval of the authoriti[es]

Local loans at 11⅛%

The coupon rate on thi[s week's] issues of local authority bonds has eased from [...] cent. to 11⅛ per cent. T[he bonds] are due on September 15 [...] par against £99⅞ last [week.]

This wek's issues are: Metropolitan Borough [...] (£½m.), City of Salford [...] Warrington Borough [...] (£½m.), London Borough [...] Hamlets (£½m.), D[...] Borough Council (£1m.), Council of Gateshead [...] London Borough of B[...] (£½m.), London Borough [...] (£½m.), Havant Borough [...] (£½m.), City of Newcas[tle upon] Tyne (£1½m.), Newport [...] Council (£½m.), St. Alban[s ...] Council (£½m.), South D[...] District Council (£½m.), Borough of Lambeth (£[...] of Leeds (£½m.), Ashfield [...] Council (£½m.), Luton [...] Council (£½m.), Borough [...] Keynes (£½m.), Kettering [...] Council (£450,000), Orkne[y ...] Council (£½m.), Tameside [...]politan Borough Counci[l ...] North Hertfordshire [...] Council (£½m.), East [...]shire District Council [...] Chorley Borough Counc[il ...]

BRITISH CAR AUCTION—96.1[...]

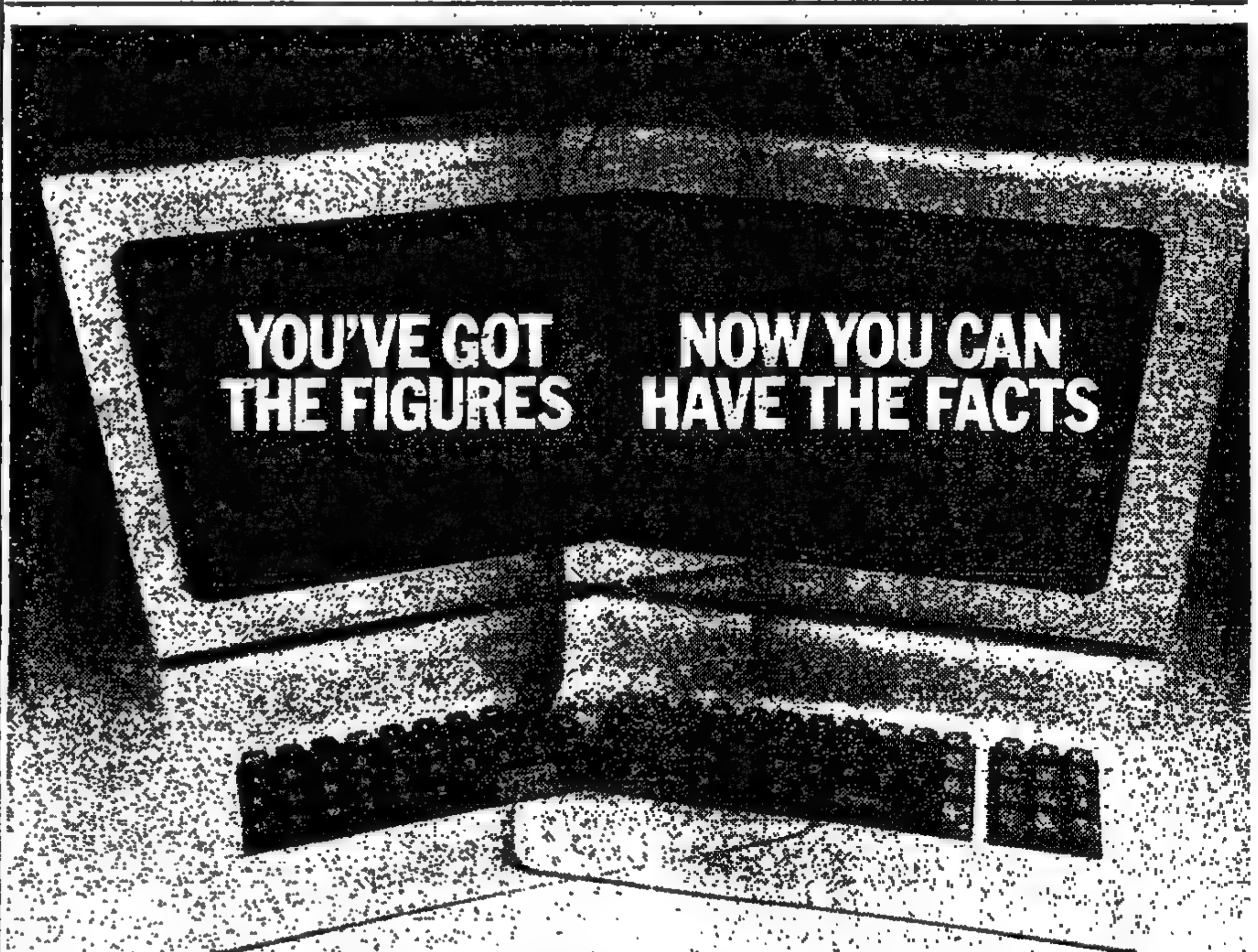
rights issue to raise £0.4[...] basis of one-for-one at [...] been taken up as to 96.1 [...] The balance has been [...] the proceeds will be d[...] to shareholders except [...] payment will be made [...] than 50p.

MPI reduc[es] loss

Pre-tax loss at MPI [...] from £53,593 to £4,011 [...] half of 1975 and the [...] interim dividend. The [...] year's loss amounted t[...] and the last payment w[...]

The half-year result [...] after lower interest c[...] £37,896, against £45,671. [...] down from £1.51m. [...] includes funeral divisio[n ...] (£382,460) and music [...] £149,231 (£1.13m.). The[re ...] no tax charge.

The directors state [...] results reflect profits [...] well maintained in t[...] division and some [...] interest charges follow[ing ...]posal of Henri Selmer a[...]set by losses, although [...] reduced scale, in the [...]sion, where the econom[y ...] continues to depress t[...] market generally.



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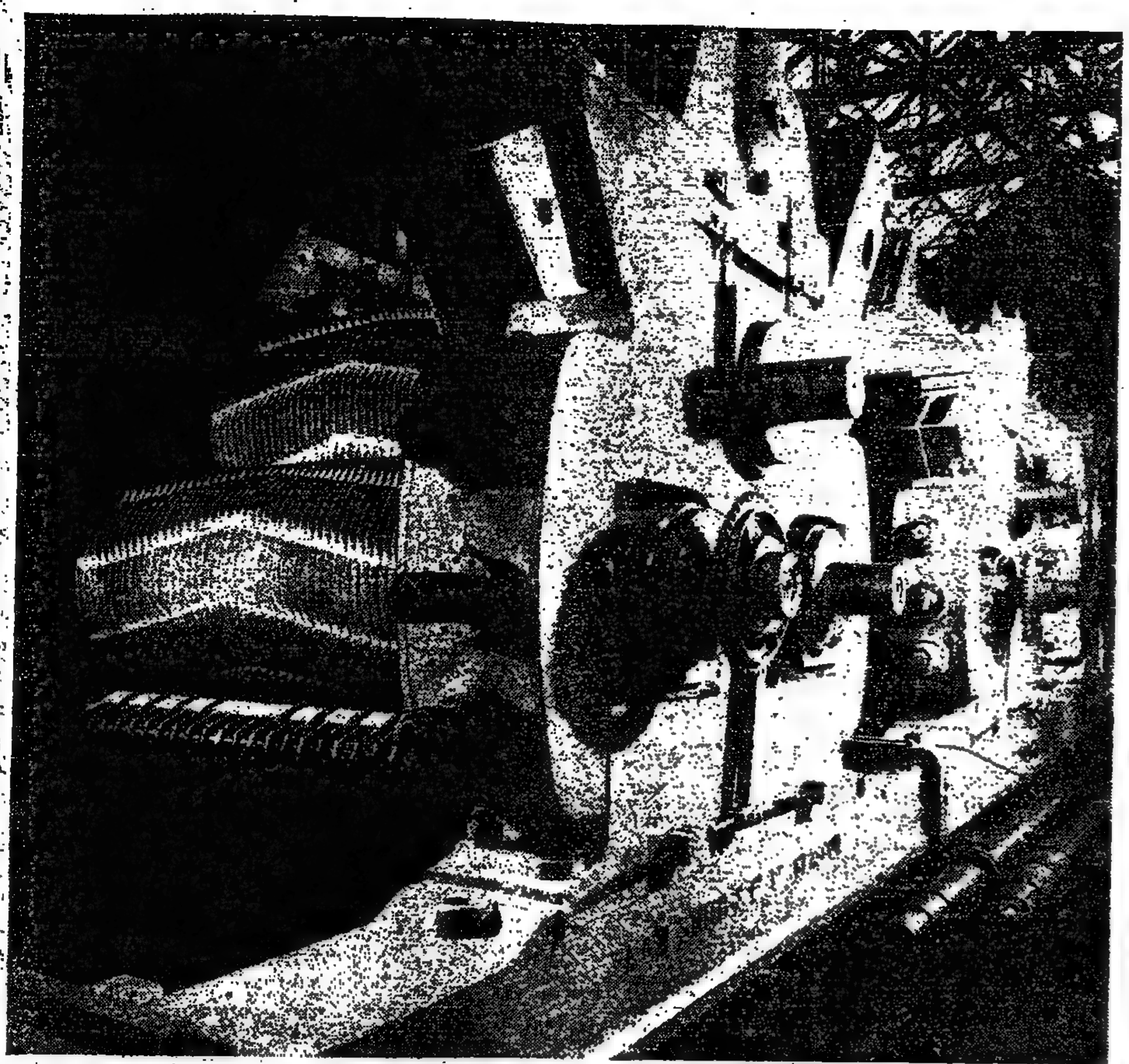
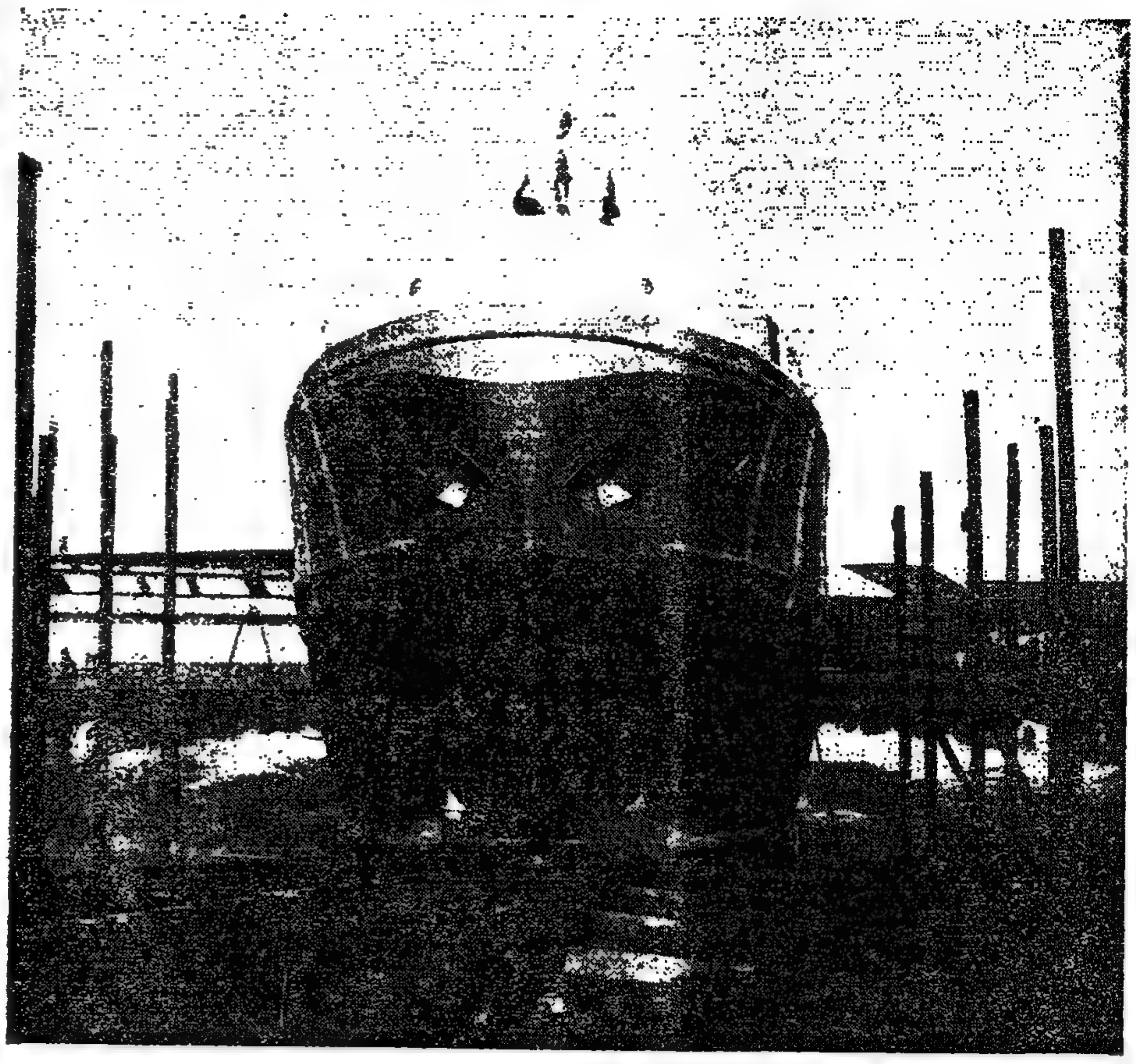
هكذا من الأصل

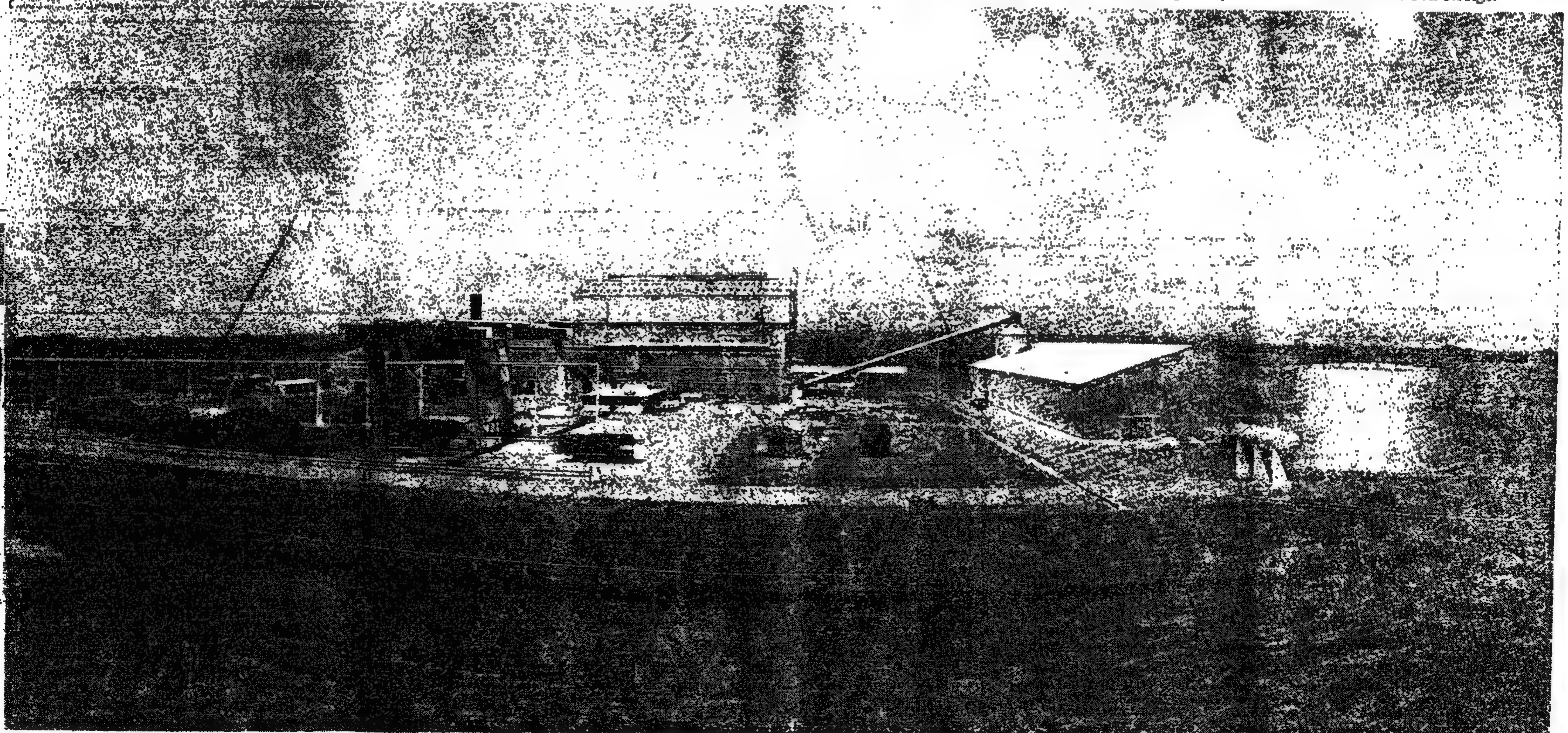
And all this too, from Tate & Lyle.



Making sugar machinery for the world. Not surprisingly, Tate & Lyle is one of the world's leading manufacturers of sugar machinery through two subsidiaries, A & W Smith and Mirrlees Watson.

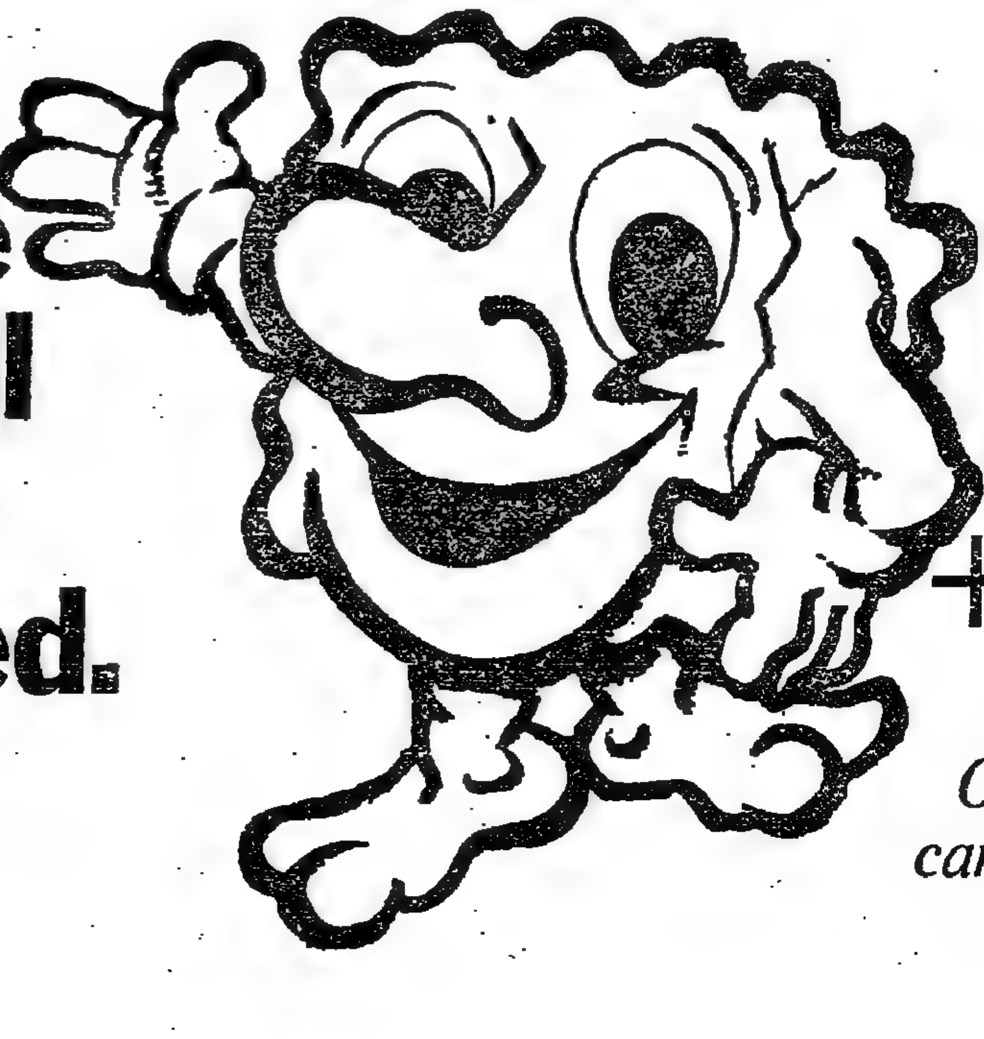


Building ships beside the North Sea. In East Anglia a Tate & Lyle subsidiary, Richards (Shipbuilders) operates two yards building coastal tankers, tugs, lightships and tenders for North Sea oil rigs.



Bringing sugar technology to the developing countries: Tate & Lyle operates a 'total package' service for developing countries that will create a sugar industry from scratch. This ranges from agricultural advice to the erection and operation of complete factories and refineries. **In Canada and the United States** Redpath Industries has undertaken a policy of diversification into the engineering field, the design and manufacture of plastic pipes and fittings and plastic and aluminium extrusions.

A close look at these photographs may tell you things about me that you never guessed.



TATE + LYLE

Out of sweetness came forth strength

For further information about Tate & Lyle, contact Tony Kemp, Tate & Lyle Limited, 21 Mincing Lane, London EC3. Tel: 01-626 6525.

Union Corporation Limited

(Incorporated in the Republic of South Africa)

HALF-YEARLY STATEMENT

Unaudited consolidated accounts for the six months ended 30th June 1975 and the comparative figures for the year 1974 show:

	Six months ended 30th June 1975	Six months ended 30th June 1974	Year ended 31st December 1974
	R	R	R
Dividends and interest from investments	17,623,000	15,800,000	33,634,000
Realised profit on investments	778,000	2,352,000	7,769,000
Interest received, net revenue from fees and sundry receipts	11,577,000	8,676,000	19,754,000
	29,978,000	26,828,000	61,157,000
Deduct:			
Administration expenses	3,226,000	3,269,000	7,362,000
Interest paid	5,273,000	2,585,000	6,763,000
Provision for additional contribution to pension funds (Note 3)	500,000	1,000,000	2,000,000
Provision for writing down investments (Note 1)	—	—	2,200,000
	8,999,000	6,854,000	18,325,000
Consolidated profit before tax	20,979,000	19,974,000	42,832,000
Tax	593,000	1,426,000	4,085,000
CONSOLIDATED PROFIT AFTER TAX	20,386,000	18,548,000	38,747,000
Consolidated profit after tax—cents per share	35.1	31.9	66.7
Dividends — cents per share	12	12	42
— cost	6,972,000	6,972,000	24,402,000
Investments —listed, market value	409,114,000	362,348,000	426,374,000
—unlisted, Directors' valuation	95,847,000	100,432,000	71,449,000
Equity shareholders' interest, including investments at market value or Directors' valuation	534,382,000	491,624,000	514,050,000
Net asset value per share (cents)	920	846	885

The Board has declared an interim dividend of 12 cents per share (12 cents). Higher dividends paid earlier this year by gold mining, industrial and financial companies offset reduced dividend income from platinum and base metal investments. In the present economic climate the favourable factors will probably not be repeated in the second half of the year. In addition, with realised profits on investments being dependent on an uncertain market the overall profit of 1974 is unlikely to be matched.

NOTES:

1. No provision has been made in the above half-yearly figures for the writing down of investments as this provision is calculated at the Company's financial year-end and is related to market prices ruling at that date.
2. Exploration expenditure is charged to exploration reserve account and not to the profits of the period in which it is incurred. For the six months ended 30th June, 1975 exploration expenditure amounted to R2,508,000 (for the six months ended 30th June 1974 it was R1,711,000 and for the year 1974 it was R3,214,000).
3. It is probable that a further contribution to pension funds may be required during the second half of 1975.
4. The final dividend of 30 cents per share declared on 26th February, 1975, in respect of the year ended 31st December, 1974, was paid on 7th May, 1975, and absorbed R17,430,000.

INTERIM DIVIDEND

The interim dividend of 12 cents per share, Republic of South Africa currency (1974-12 cents) declared by the directors, will be payable to members registered at the close of business on 3rd October 1975 and to persons surrendering coupon no. 122 detached from share warrants to bearer.

By Order of the Board
per pro. UNION CORPORATION (U.K.) LIMITED
London Secretaries
L. W. HUMPHRIES

Princes House
95 Gresham Street
London EC2V 7BS

London Transfer Office:
Hill Samuel Registrars Limited
6 Greencoat Place
London SW1P 1PL
9th September 1975

INTERIM STATEMENT

Reckitt & Colman

Interim Report for the half-year ended 5th July 1975

	1975 £ million	per cent increase over 1974
Sales to customers	173.4	10.7
Trading profit	18.6	7.9
Profit before tax	17.4	14.1
Earnings	8.6	30.6
Earnings per share	14.1 pence	29.3

Statement by the Chairman, A M Mason

I am glad to say that, despite severe economic problems facing the United Kingdom and most countries overseas, Reckitt & Colman advanced in sales and in profit. Both the United Kingdom and overseas businesses contributed to this result.

The recovery in profit in the United Kingdom was, however, only modest in comparison with the severe fall in the corresponding period of 1974, performance varying very much from division to division.

Progress in overseas trading profit was satisfactory in all the circumstances; in North America the company maintained its position, despite the continued recession in the United States.

Three-quarters of Reckitt & Colman's business is overseas and the considerable weakening of sterling, in relation to most other currencies in the first half of 1975, resulted in the Group benefitting from exchange differences to the extent of £1,320,000. This amount is calculated by reference to the rates of exchange ruling at the end of the half-year.

In view of the overall uncertainty in trading and economic conditions throughout the world, it is extremely difficult to forecast the likely outcome of the year as a whole. However, I am looking forward to continued progress.

An interim dividend for 1975 of 3.7895 pence per ordinary share will be paid on 7th January 1976 to shareholders on the register on 24th November 1975. This payment, together with the related tax credit, makes a total interim dividend of 5.83 pence per share (1974: 5.3 pence). This is an increase of 10 per cent over the corresponding dividend last year and under present legislation is the maximum rate of increase permitted on an annual basis. The interim dividend will absorb £2,296,000.

full year 1974 £000		first half-year 1975 £000	first half-year 1974 £000
319,390	Sales to customers	173,400	156,800
32,970	Trading profit	18,640	17,280
3,590	Interest payable less other income	2,590	1,550
29,380		16,050	15,730
(940)	Exchange differences (1975 profit: 1974 loss)	1,320	(500)
28,440	Profit before tax	17,370	15,230
14,190	Tax on profit	7,690	7,770
14,250	Profit after tax	9,680	7,460
1,420	Attributable to minority interests	1,040	830
12 830		8,640	6,630
158	Preference dividends	80	80
12,672	*Earnings attributable to ordinary shareholders*	8,560	6,550
21.0p	Earnings per share	14.1p	10.9p

RECKITT & COLMAN LIMITED, BURLINGTON LANE, LONDON W4 2RW

COMPANY NEWS

R. Costain first half upsurge to £5.5m.

FIRST HALF 1975 turnover of public works contractors, etc., **Richard Costain** increased from £84m. to £107m., and pre-tax profit advanced from £4.19m. to £5.51m.

And the chairman, Mr. J. P. Sowden, says he expects that overall results for the full year will show a "useful increase" on those for 1974 (pre-tax profit £10.66m.).

Orders outstanding at June 30 were £400m. with more than two-thirds applicable to international operations.

The chairman points out, however, that difficult conditions persist in some markets.

The interim dividend is lifted from 1.75p to 2p net per 25p share, and the directors intend to recommend the maximum permitted total for the year (3.894p for 1974).

	Six months 1975 £000	Six months 1974 £000	Year 1974 £000
Turnover	107,000	84,980	193,008
Gen. trading profit	6,105	4,647	11,477
Rents	636	540	1,260
Property sales	5	90	115
Interest payable	1,234	1,059	2,195
Profit before tax	5,512	4,188	10,657
Taxation	2,591	2,010	[illegible]
Minority interests	499	436	1,071
Profit before extraordinary items	2,422	1,742	5,207
Extraord debits	—	—	448
Attributable	2,422	1,742	4,759
Preference div.	14	14	27
Available Ordinary	2,408	1,728	4,732
Dividend	494	472	962
Retained	1,914	[illegible]	3,770

Statement Page 23
See Lex

Decrease at Land Investors

FOLLOWING A fall from £280,000 to £225,000 in the first half net profits of **Land Investors** finished the year to March 24, 1975 down from £610,597 to £412,364. The tax charged was £513,273 compared with £543,527.

All interest payable including that relating to properties in course of development has been charged to revenue accounts as in previous years.

The final dividend is 1.26p net for an unchanged total of 1.61p.

Blakeys earns and pays more

Group pre-tax profit of **Blakey's (Malleable Castings)** increased from £138,945 to £166,171 in the year to March 31, 1975, and the dividend is stepped up from 1.3075p to 1.60875p net per 25p share.

Stated earnings advanced from 2.337p to 2.784p.

As to the current year the chairman, Mr. N. N. Kay, says there has been a continual drop in orders which is bound to reflect in profits.

Until the Government controls inflation and builds up the confidence of other countries that the economy is stabilising, trading prospects can only get worse, he adds.

	1974-75 £	1973-74 £
Turnover:		
N. and S. America	339,776	306,452
Europe	134,779	87,998
Australasia	82,834	35,418
Other export markets	119,211	93,791
Direct exports	1,694,695	1,388,382
Total turnover	2,371,295	1,912,041
Trading profit	139,325	117,903
Interest	26,846	21,042
Profit before tax	166,171	138,945
Taxation	85,257	70,964
Net profit	80,914	67,981
Extraordinary debits	—	13,356
Dividends	46,930	44,001
Retained profit	33,984	*13,083

* Includes £2,489 unrealised profit realised.

Home market sales remained consistent for the first half but there was a general curtailment *in the building industry with* which the company is heavily committed.

Diploma expands to £1.96m.

AFTER SECOND half growth to £1.2m., against £0.88m., profit before tax of **Diploma Investments** improved from £1.42m. to a record £1.96m. for the 12 months to June 30, 1975.

Basic earnings per 25p share are shown to be up from 8.41p to 9.82p and fully diluted, from 6.6p to 8.74p. Dividend total is the maximum permitted 2.1677p net, compared with 2.0313p, with a final of 1.4448p.

The company has interests in engineering, distributing electronic components and bathroom fittings, manufacturing partitioning and office furniture and refractory materials and services.

The directors state that 1974-75 is the third year in succession where dividends have been restricted, and with earnings now covering dividends by four times, they would otherwise be recommending "a very considerable increased payment, and perhaps *by up to 50 per cent.*"

As a result of a major property sale in July, 1975, borrowings have been reduced by a further £750,000.

A year ago property activities represented £1.3m. in the balance sheet, and they decided to reduce this commitment very substantially, so during the course of the year some sites were sold. The remaining sites have been written down to well below cost and "can no longer be considered substantial in terms of the balance sheet."

However, the directors expect that they will eventually be realised at above written-down values.

The short-term prospects must, they say, be restricted by the gathering clouds of recession, but there exists within the group a great determination and ability to acquire a bigger share of available business. Encouragement can also be obtained from divisional budgets and the start made to the new financial year, they add. the new financial year, the directors add.

● comment

Trading profits at Diploma—stated net of interest charges incurred by the subsidiaries—are ahead by 24 per cent., but the gain at the pre-tax level widens to 38 per cent. Diploma's purchase and redemption of loan stock cut the fixed interest bill by a fifth, and operating expenses are down as well. Among the divisions a solid performance at Henry Whithams, and growth at Blakdale-NSE rather than recovery, tended to offset difficult trading conditions on the electronics side. One visible effect of the industry price-cutting war here was a slowdown in the rate of group turnover expansion to 12 per cent. in the second half (1974 second half was 19 per cent.). Diploma's wild card for profits growth in 1976 remains its heavy investment in stocks, and at 44p the yield is 7.8 per cent.

Dawson & Barfos set for growth

NOW THAT the major problems affecting Dawson and Barfos have been eliminated, the future holds "great promise" for the company, says the chairman, Mr. L. A. Trafford.

He reports that current year trading is "very satisfactory" and profits to date are well up.

Improvements to production facilities at Wellingborough, completed at end-1974, are a major factor in the maintenance of the company's efficiency and sharpening its competitive edge.

The improvements include facilities for extending the product range which have become effective in the current year. Export sales have continued to develop satisfactorily, particularly in Europe.

As reported on August 12, group pre-tax profit expanded from £98,627 to £461,762 in 1974 and the dividend is 1.44p net (1.4p). The improved profitability and financial strength is largely due to selling the engineering subsidiaries at end-1973, Mr. Trafford explains. The company manufactures essences and fruit juice products, etc.

At August 5, Keyser Ullmann held 19.23 per cent. of the capital, and Mr. Glyn Blaxter had interests amounting to 12.6 per cent.—103,921 shares beneficially and 650,248 as trustee.

Midway jump by Audiotronic

FROM A turnover £3.12m. ahead at £10.27m. taxable profits of **Audiotronic Holdings**, the hifi audio, and electronic equipment group, expanded by £423,000 to £1.1m. in the six months ended June 28, 1975, and exceeded by some £82,000 the total for 1974.

Chairman Mr. G. W. Smith says that the results (which confirm *the prediction in the 1974 report* and accounts) have been substantially boosted by the consumer boom, prior to the increase of VAT from 8 per cent. to 25 per cent. in April, 1975. The underlying strength of the company's assets in new outlets and improved liquidity has been a major factor in enabling the group to achieve these results.

Despite the degree of reduced sales after the pre-VAT surge, the expectation for the second half is "hopeful to the extent of an encouraging increase in the annual profit" over 1974, but this will be dependent on turnover achieved, states the chairman.

Continuing the policy of controlled national expansion the company has during the period opened three new shops at Bristol, Nottingham and Oxford and it is intended that a further six new shops will be opened by the end of the year. As a matter of deliberate policy three small stores in the London area have been closed, all being in positions duplicated by existing locations.

It is anticipated that a total of 34 shops will be in operation by the end of 1975.

The interim dividend is 1.625p net (1.675p)—equal to 2.5p (same) gross. The net total for 1974 was 3.35p. The payment date is delayed until January 2 for tax reasons.

	6 months £000	£000
Turnover	10,270	7,146
Profit before tax	1,102	677
Taxation	573	352
Net profit	529	325

See Lex

Thames Plywood cautious

Thames Plywood Manufacturers has the resources to meet the challenge of the current year and the chairman, Mr. R. E. Newman is confident the group will make the most of the opportunities available.

It becomes increasingly difficult to make any sort of forecast, he tells members. The Government's recent policies to combat inflation must have an adverse effect on trading activities during the next year at least and, with the present state of business confidence, "one can only view the immediate future with extreme caution."

However, the group has a strong asset backing, good liquidity, a competent management team and a reasonable percentage of sales to go to export customers, he declares.

As reported on August 22 taxable profits were £131,707 for the *year to April 26, 1975,* compared with £313,006 for the previous 82 weeks. The dividend is 2.3p (2.13p annualised).

The parent company had "a most unsatisfactory year," and the return which is being obtained on the investment in Barking is inadequate. Various alternative strategies are being evaluated with the aim of improving the level of return and Mr. Newman will report on the outcome in due course.

The study carried out with a view to expanding production at Braintree has been completed but, in view of the costs revealed, alternative plans are being considered.

The ultimate holding company is C. P. Choularton Sons and Partners. Meeting, 4, Crosby Square, E.C., on October 2, at 11.30 a.m.

Hindson tops forecast with peak £0.26m.

Against an expected decline, second half profit before tax at **Hindson Print Group** is virtually maintained at £134,641, against £137,679, lifting the year-end total to a record £263,841 for the year to June 30, 1975, compared with a forecast that the 12-month outcome would "achieve" last year's £214,829.

Stated earnings before tax per 20p share are up from 20.3p to 25p; after tax they are ahead from 9.5p to 11.2p. Final dividend is 2.103p net which lifts the total from last year's adjusted 2.95466p to 3.153p.

The directors propose to double the authorised capital to £500,000.

G.T. Japan confident

Despite having *fallen* less in 1974 than any other stock market, the Japanese market recovered strongly last spring, says Mr. W. T. J. Griffin, chairman of G.T. Japan Trust.

Although the recovery was followed by a period of consolidation Japan still presents, in the directors' view, one of the "most promising" stock markets over the medium to long term. They therefore look to the future with confidence.

As reported on August 30 pre-tax profit contracted from an exceptional £185,452 to £64,093 in the year to June 30, 1975, and the dividend is cut from 1.5p to 0.5p net. Net asset value per share improved from 93 to 109p.

Throughout the first half a policy of maintaining a large measure of liquidity enabling funds to be placed on deposit was adopted. Lesser rates of interest were however earned compared with the exceptional rates ruling in the previous year. This lower interest, coupled with a higher level of interest on foreign borrowings had, as forecast, a direct bearing on profitability.

Meeting, St. Martins House, St. Martin's-le-Grand, E.C., September 30, noon.

Howard Shuttering outlook

In common with all others in the construction industry, **Howard Shuttering (Holdings)** is having to compete even more keenly for contracts, states the chairman, Mr. J. A. Howard.

But he anticipates that the orders necessary to maintain the steady improvement of past years will be forthcoming, "and by increased efficiency, we will maintain our profit margins."

The plant hire company continues to expand and to assist this, premises previously leased at Dover, have been purchased—negotiations are taking place regarding the acquisition of further plant depots. The concrete pumping division is increasing its share of the market and has the necessary modern equipment to allow for further expansion.

Mr. Howard adds that "very sound" liquidity has enabled the finance of all developments during the past year and those in the near future from the group's own resources.

As reported on August 5, taxable profits increased from £244,818 to £304,705 in the year to April 30, 1975, and the dividend is lifted from 1.2p to 1.2875p net.

Meeting, Marden, on October 1, at 10.30 a.m.

COMPANY ANNOUNCEMENT

PRESIDENT STEYN GOLD MINING COMPANY LIMITED

(Incorporated in the Republic of South Africa)

UNDERGROUND FIRE

On Friday, 22nd August, 1975, a fire broke out at the No. 4 shaft in the 63/84 stope and spread rapidly to the levels above. The fire has since been completely sealed off above the 63 level. It is now necessary to allow the fire to burn out before access to areas above the 63 level can be effected, in the interim, production at this shaft is limited to the areas below 63 level.

It is expected that a loss of some 60 000 to 70 000 tons in total mine production will be experienced during the September month. The normal monthly production is around 240 000 tons. Every effort is being made to increase production at the Nos. 1 and 2 shafts and in workings below 63 level at No. 4 shaft. However, this re-organisation will take time to *effect since it necessitates the movement of resources* into new stoping areas which first have to be equipped.

The monthly production in October and November should show a gradual improvement but it is not expected that the normal production level can be achieved before December.

Johannesburg

10th September, 1975

BIDS AND DEALS

Mr. Buckley to join Lamont

MR. TONY BUCKLEY, who is about to leave Slater Walker Securities after being its managing director for five years, and who already plans a bid for Floreat Investment after buying a 35 per cent. stake in it, yesterday announced another extension of his new City interests.

He is to become, on October 1, managing director of Lamont Holdings, whose business is in engineering, property and financial services. In the latter role, it manages the Oceanic Group of unit trusts, acquired in March from the liquidator of Triumph Investment Trust.

Mr. Buckley is also to take a shareholding in Ulster Finance, the private company which has a 42 per cent. stake in Lamont. The existing shareholdings in Ulster Finance are held by Mr. Desmond Lorimer, who is chairman of Lamont, and whas a 41 per cent. stake, Mr. Hugh O'Neill, with 20 per cent., and Ulster Bank, a subsidiary of the National Westminster Bank, with the rest.

It is expected that Mr. Buckley will take a share interest amounting to some 25 per cent. in the Ulster Finance, at a cost described as relatively modest, probably rather more than £20,000. The plan is that Lamont, which Mr. Buckley is to use as his operational base, will provide investment services at Floreat Investment, of which Mr. Buckley and his associates hope to win control and which will remain an authorised investment trust.

Shares of Floreat yesterday jumped 16p to a year's peak of 46p, well above the expected bid price of 38p. Dawnay Day Group, the banking concern which is at present the largest shareholder in Floreat, with a 40 per cent. stake, has said it proposes to maintain its close association with Floreat and not to accept the Buckley offer.

The shares of Lamont were unchanged at 29½p, compared with a range this year of 19p and 32½p.

Mr. Buckley yesterday called the present position in the investment *world as an interesting time after* the upheaval which had swept the financial scene in the last two years. He said that Lamont's purchase of the Oceanic unit trusts had increased its financial services side and that his past experience was directly relevant to that.

As to any further moves he might have in mind, he said: "There is nothing in the pipeline at present. Enough is happening at the moment."

(See Men and Matters)

BROOKE BOND DROPS BATESON & PAYNE OFFER

Brooke Bond Liebig has withdrawn its bid for Bateson and Payne, the insurance brokers which BBL announced it was buying, subject to contract, last December.

A Brooke Bond spokesman said yesterday that the company and Bateson could not agree on terms, but that Brooke Bond was still interested in expanding its insurance activities. It owns 90 per cent. of Peek and Partners (Holdings) and RHM owns the rest.

Mr. Victor Caira, managing director of Bateson, said last night that a number of insurance brokers were interested in buying the company and that a bid from one of them could be expected "fairly soon."

BBL's terms for Bateson in December were the issue of £250,000 nominal of 12 per cent. unsecured convertible debentures (unquoted) and the payment of £60,000 in cash to be determined by reference to the net assets at December 31, 1974 as shown in Bateson's audited accounts.

L & C LIQUIDATOR SELLS ALLIED INSULATOR STAKE

The liquidator of London and County Securities, the secondary banking concern, has disposed of a 26.8 per cent. equity stake in Allied Insulators which was held by wholly owned subsidiary Letmo Securities.

It was made known in March this year that the stake was open to offers. The 2,412,500 Ordinary 25p shares have been placed with a number of "friendly" institutional investors, at an undisclosed price, by stockbrokers Murray and Co. and Panmure Gordon. Allied Insulators' share price closed unchanged last night at 16½p.

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Plessey reorganises U.S. divisions

BY GUY DE JONQUIERES

NEW YORK, Sept. 9.

[P]LESSEY'S AMERICAN operating [s]ubsidiary, Plessey Incorporated, [t]o-day announced a structural re[o]rganisation of some of its divi[si]ons designed to improve [fa]cilities for marketing its major [p]roduct lines in the U.S.

The company has eliminated its [m]aterials division and replaced [it] with several new divisions [w]hich will sell special metals and [m]aterials to a variety of indus[tr]ies. One of the new divisions, [k]nown as M. and S., will bring [to]gether two factories involved [in] precision metal stamping and [fa]brication under a single [m]anagement.

Plessey EMD, a supplier of [th]ick film materials, has been [c]ombined with Plessey Capacitors [to] form a new division called [P]lessey Components. Its general [m]anager will be Mr. Charles [M]athews, formerly director of [te]chnical services with the parent [c]ompany at Ilford.

The Plessey packaging division [h]as also been reorganised under [th]e management of Mr. Norman [C]ox, a corporate vice-president [w]ho also has responsibility for [P]lessey Chatsworth, Plessey Hong [K]ong, Plessey Electro-Products [a]nd Plessey Micro-Wave Materials.

At the same time, the U.S. [sa]les force, which had previously [r]epresented a broad range of dif[fe]rent products, has been split [u]p into smaller groups, each of [w]hich will specialise in market[in]g different product lines and [w]ill report directly to the plants which develop and manufacture them.

Mr. Warren Sinsheimer, chairman of Plessey Incorporated, said that the reorganisation was intended to bring Plessey's customers into more direct contact with the company's products and technology.

Christopher Lorenz writes:—In London, Plessey announced the formation of a new unit, Plessey Offshore, to co-ordinate marketing and after-sales support of the group's products for the offshore oil and gas industries. It will be co-ordinated by Mr. Francis A. Holmes, managing director of EAE Group, the offshore-support specialists acquired by Plessey earlier this year.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends considered are interims or finals and the sub-division shown below is based mainly on last year's timetable.

TO-DAY

Interims:—Beatobell, City and Commercial Investment Trust, William Collins, I. J. Dewhirst, Expanded Metal, Guardian Royal Exchange Assurance, Marshall Morgan and Scott, Myson Group, Newbold and Burton, Phoenix Assurance, Rosehaugh Investment Trust, Steetly, Taverner Rutledge, Trust Bank of Africa, Winston Estates.

Finals:—Amber Day, Armstrong Equipment, Coronation Syndicate, Felixstowe Dock and Railway, Floreat Investment, Guinness Peat, Jos Holdings, London Atlantic Investment Trust, Tweefontein United Collieries, Thomas Walker, Zetter Group.

FUTURE DATES

Interims:—	
Beatson Clark	Oct. 3
Berwick Timpo	Sept. 23
Eagle Star Insurance	Sept. 17
Gibbons (Stanley) International	Sept. 15
J. B. Holdings	Sept. 18
Liberty	Sept. 16
Morrall (Abel)	Sept. 12
Perry (Harold) Motors	Sept. 25
Walmoughs	Sept. 30
Finals:—	
Amalgamated Tin Mines Nigeria	Sept. 18
Black Arrow	Sept. 15
Hunt and Moscrop (Middleton)	Oct. 8
Second City Properties	Sept. 17
Southern Kinta Consolidated	Sept. 18
Trafford Park Estates	Sept. 12

Jove Trust forecasts cut to 3.25p

First half (to August 31, 1975) gross revenue of Jove Investment Trust decreased from £225,700 to £136,840 and the interim dividend is cut from 2.01p to 1.625p net per 50p share. Earnings per share were down from 2.25 to 1.55p.

The directors anticipate that, subject to no major change in interest rates and no deterioration in the equity market, a second interim of 1.625p will be paid, making a total of 3.25p (3.635p) for the year. Gross revenue for 1974-75 was £423,942.

Last April the directors warned that there might be some further reduction in the 1975-76 dividend.

	Half year 1975 £	1974 £
Gross revenue	136,840	225,700
Taxation	48,224	73,547
Minorities	27,308	50,875
Net balance	58,307	81,303

Fertleman aiming for record year

Mr. Leonard Fertleman, chairman of B. Fertleman and Sons, told the annual meeting that based on the first quarter's unaudited accounts, he was confident that profits for the first half would be well in excess of £200,000 and that "we can look forward to a further record year." Overseas sales were being maintained at a healthy level.

A company has been formed in New Jersey (B. Fertleman and Sons Inc.) for the warehousing and distribution of group products throughout the east coast of America.

GEC-AEI Australia

For the year ended March 31, 1975, profits of GEC-AEI (Australia) advanced from $A1.61m. to $2.37m. after tax up from $1.97m. to $2.14m.

The dividend to the parent company, General Electric Company, is $240,000 (nil).

MINING NEWS

Union Corporation sees lower profits

BY LESLIE PARKER, MINING EDITOR

IN THE FIRST half of the year South African mining house Union Corporation saw its income boosted by higher revenue from its gold-mining, industrial and financial investments and denuded by that from platinum and base metals.

In the current half the company does not expect the favourable element in its earnings picture to be repeated. Realised profits from share dealings are in particular dependent on the course of an uncertain stock market. So, all in all, the official expectation is that the total 1974 profit will not be matched.

Even so, this is not too dispiriting an outlook in the light of last year's brilliant results. In the first half of 1975 the consolidated net profit of R20.39m., or 35.1 cents a share, compares with R18.55m. for the same period of last year and with R38.75m., equal to 66.7 cents a share, for the whole of 1974. The interim dividend is maintained at 12 cents. Last year's final was 30 cents. Net asset value as at June 30 is computed at 920 cents (610p).

Warning

The warning about realised profit from investment dealings is underlined by the fact that half-year income from this source was only R0.78m. compared with a full year 1974 total of R7.77m. The results were not known in the market until after hours but there was no late change in the share price which had fallen 5p to 495p in line with the general setback in gold shares. UC stood at 480p in February when the good 1974 profits were announced.

The verdict here then was that much would ultimately depend on whether or not General Mining would feel powerful enough to mount a bid for the 70 per cent of the capital that it does not already own. There are no signs of this eventuating. So it is to better times for gold and platinum that shareholders must now look for any marked recovery in UC.

RANGFR URANIUM INQUIRY

The public environmental inquiry announced on April 2 into the joint development of the Ranger uranium deposit in Australia's Northern Territory by the Peko-Wallsend and EZ Industries partnership and the Australian Atomic Energy Commission began in Sydney yesterday. The inquiry into the effects of mining the deposit will continue until Thursday when proceedings will be moved on site with a resumption date of September 23.

In his opening address Mr. D. T. Woods, managing director of Ranger Uranium, said that $5.25m. (£3.19m.) had been spent on preparatory planning, including environmental investigations.

He added that 750 hectares would be affected by mining operations which would result in some 20m. tonnes of uranium ore being recovered earning for the country between $100m. and $200m. (£60.7m. to £121.4m.) a year.

This exceeded the value of any other project in the Northern Territory, said Mr. Woods, with the company proposing to produce 3,000 tonnes of uranium oxide a year from about 1.2m. tonnes of ore.

Peko and EZ signed formal contracts back in November, 1972, to supply 650 short tons apiece of uranium oxide to Japan between 1977 and 1982. The present Labour administration stated that these contracts would be honoured but so far the Minister for Minerals and Energy, Mr. Connor, has given no indication as to when production could commence at the mine and the current inquiry is expected only to put back any planned start-up proposals. Peko and EZ were 335p and 205p respectively in London yesterday.

Copper cut by Messina

TAKING THE VIEW that copper will remain a depressed market for some months, South Africa's Messina mining group, currently in the throes of a bid to acquire the minority holding in its Datsun motor subsidiary, is taking the precautionary step of cutting output at its Messina mine by 30 per cent. This means, our Johannesburg correspondent says, that ore throughput will be reduced by about the same percentage on an annual basis from last year's 1.1m. tons.

However, he adds, although the reduction is because of the depressed metal price, the rate of copper produced, 10,230 tons last year, will actually only be reduced by about 18 per cent. The mine will withdraw to areas of relatively high grade with a view to lowering its break-even point, a reflection of the fact that the old Messina mine is the second highest cost producer in the group.

None of the Rhodesian mines, which account for some three-quarters of the group's total output, is similarly affected. All are more mechanised and only the Alaska unit is higher cost. Its grade, however, is expected to rise over the next year. Yesterday Messina fell 10p to 345p.

UTAH BATTLE RAGES ON

The Utah coal battle in Australia, referred to here yesterday, has been furthered by another clarion call from Minerals and Energy Minister Mr. R. F. X. Connor for more Australian participation in the operating company, Utah Development. He said that it would take 36 per cent., or $309m. (£187m.), of the $544m. gross profit from coking coal exports to Japan in 1975-76 but only 10.8 per cent. of this would go to the Australian shareholders in Utah Mining Australia.

Utah Development declined to comment on Mr. Connor's statement but in San Francisco the parent Utah International said its fourth quarter ernings would be below expectations not because of Mr. Connor but because of the discontinued operations of its 89.2 per cent.-owned Australian offshoot owing to the labour dispute there which had caused a close down until the miners' union lifted its ban on overtime and on the employment of new labour.

Utah added that the overtime ban combined with intermittent strikes had adversely affected production even prior to the cessation of operations on August 26.

TIN OUTPUTS

In the last batch of Malaysian tin outputs for August, Gopeng shows a further small fall in production bringing its 11-month total to 2,196½ tonnes as against 2,241½ for the same period of 1973-74.

The increased output from Petaling makes a 10-month total of 1,024 tonnes, well ahead of the 690 tonnes for the comparable period of the previous year. The returns are compared in the attached table.

	Aug. Tonnes	July Tonnes	June Tonnes
Gopeng	192½	164	193
Tanjong	14½	13½	17
Idris	22½	32½	22½
Pengkalen	12½	24	32½
Petaling	107	73½	75

Pilbara iron contrasts

THERE WAS contrasting news yesterday from the Pilbara iron ore producers in Western Australia. They forecast that they could lose about $70m. (£42.5m.) in revenue next year at current production rates if reports of an impending 10 per cent. cutback in Japanese demand were borne out.

At the same time Broken Hill Proprietary announced plans to go ahead with the establishment of a new 15m. tonnes of ore a year operation at its Deepdale property near Cleveland-Cliffs' Robe River mine. Production is expected to start in 1978 and by the early 1980s the cost of the development is put at over $300m. (£182m.).

As from January 1, 1977, a half interest in the Robe River railway and port at Cape Lambert will be purchased under an option agreement. The port can handle bulk ore carriers of up to 150,000 tonnes capacity. Its facilities will be used jointly with Robe River which has been producing since 1972.

BHP says that the Deepdale project if it is to be economic must be oriented to the export market although ore will be available to meet the needs of Australia's industry as required.

As regards the cutback warning, the iron ore producers admitted that they had not yet received any actual demand for a reduction in supplies to Japan but added that this was not unusual. Buyers regularly made initial requests through the trade media to gauge intial reactions as a starting point for negotiations they said.

In recent months there had been increasing examples of deferred shipments or of ore carriers not being available, traditional signs that consumers were beginning to worry about stock-

MINING BRIEFS

RAHMAN HYDRAULIC—Monthly output for August 63 tonnes (July 59 tonnes).

LONDON TIN CORPORATION—Tin output for Amalgamated Tin Mines of Nigeria for August (five weeks) was 223 tonnes concentrates (July: four weeks, 186 tonnes).

MALAYSIAM TIN—August: Tribute ore sold 7.23 tonnes (July 10.65 tonnes). Working profit £737 (£1,100). Tin ore retained in stock at August 31: 4.85 tonnes (to comply with restriction on sales imposed by the International Tin Council).

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or —	Div. p or Amount	Times covered	Gross Yield	P/E Ratio
$106	F.P.	—	£77	£76	Brazilian Inv. S.A.	£76	......	—	—	—	—

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price £	+ or —
::	F.P.	21/8	95	85	Adwest Grp. 10% Cnv. 95/2000	86	......
A**£98	£10	17/10	10	9½	Bristol Water 9% Red Pref 1980	10	......
£100	F.P.	—	100½	99¼	CSR 9½% Notes 1980	100½	......
£100	£50	—	49½	44	Ciba Geigy (G.F.S.) 8¾% Guar. Ln. 1982/95	44	......
£98¼	£10	—	10½	10	City of Liverpool 13¾% Stk. 1981	10½	......
£99	F.P.	5/9	101½	98	Clayton Dewandre 16% Deb. 90/5	101½	......
£98½	£10	5/12	11¼	9½	Derby Borough Council 13¾% Stk. 1982	10½	......
£ :1	F.P.	9/9	100¼p	95p	Fodens 10% Cnv. Red Cum Pref	95p	......
£100	£50	26/10	56¼	52	Hoechst 10% Guar. Ln. 1990	54¼	......
::	F.P.	—	105p	94p	Johnson&Firth Brown 11.05%Cm. Conv. Pref.	100p	......
...£99	£40	22/8	61	49½	Land Secs 10% Conv. 90/6	58½	—1
£99	F.P.	26/9	100¼	97	Newcastle & Gate 9% Red. Pref. 1980	98¼	......
—	F.P.	—	100	89	Schlesinger Int. Fd. (Jersey) Part Red Pref	100	......
::	F.P.	29/8	103½	98¼	Whitbread 11% Conv. 1995	104⅝	—1

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date †	‡	Stock	Closing Price p	+ or —
2.50	Nil	—	—	Abercom Invs.	22pm	+2
18½	F.P.	18/8	10/9	Adams Foods	18	——
68	Nil	—	—	BPB Ind.	45pm	—1
46	F.P.	7/7	10/9	BOC Intl.	47	......
90	F.P.	22/8	17/10	B.T.R.	142	—2½
‡£1.35	F.P.	4/9	1/10	Bank Leumi le Israel BM	23	......
10	F.P.	5/9	26/9	British Car	28½	......
66	F.P.	4/9	3/10	Chubb & Son	86	—1
56	F.P.	22/8	19/9	Clayton Dewandre	56	—2
25	F.P.	27/8	26/9	Crellon	30	......
41	F.P.	22/8	19/9	Crossley Building	50	......
65	F.P.	21/8	16/9	Davy Intl.	101	......
27	Nil	12/9	3/10	Dixons Photo	15pm	—2
27	Nil	12/9	3/10	Do. A	16pm	—1
72	F.P.	30/7	26/8	Dunbee-Combex-Marx	139	+1
25	F.P.	15/8	19/9	Empire Stores	73	—2
25	F.P.	29/8	6/10	Howard Machinery	39	......
48	F.P.	15/8	15/9	Law Land	65	......
105	F.P.	30/7	15/8	Legal & General	111	......
120	F.P.	15/8	19/9	McCorquodale	175	......
42	F.P.	20/8	2/10	Morgan Edwards	44	......
41	Nil	—	—	Norcros	16pm	......
25	F.P.	5/9	3/10	Normand Elect.	28	......
78	F.P.	26/8	19/9	Royal Worcester	112	......
50	Nil	—	—	Sangers Group	13pm	......
40p	F.P.	26/8	23/9	Scottish & Newcastle Brewery	55½	—½
10	F.P.	28/7	12/9	Senior Engineering	15¼	—¼
80p	F.P.	28/7	12/9	Siebe Gorman	140	——
170	F.P.	6/8	3/10	Tate & Lyle	205	—2
33	F.P.	15/8	12/9	Westland Aircraft	46	——
18½	Nil	12/9	3/10	Woodhouse & Rixson	19½pm	+½

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p** Pence unless otherwise indicated. a Forecast dividend: cover based on previous year's earnings. † Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ✤ Offered to holders of Ordinary shares as a "rights." ♥ 280 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ✦ Reintroduced. :: Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ✣ With warrants.

ARTHUR BELL & SONS LIMITED
SCOTCH WHISKY DISTILLERS, PERTH

Interim Financial Statement (Unaudited) for the Half Year Ended 30th June, 1975

	Half year ended 30th June 1975 £	£	Half year ended 30th June 1974 £	£
Turnover—Sales to customers outside the Group		31,109,000		22,756,000
Scotch Whisky	27,192,000		22,756,000	
Glass Container Division	3,917,000			
	31,109,000			
Trading Profit		2,708,000		2,150,000
Less: Depreciation		272,000		130,000
		2,436,000		2,020,000
Add: Investment Income		4,000		5,000
		2,440,000		2,025,000
Less: Interest on loans		1,006,000		408,000
Profit before Taxation		1,434,000		1,617,000
Scotch Whisky	1,301,000		1,608,000	
Glass Container Division—Note 1	133,000		9,000	
	1,434,000		1,617,000	
Taxation (estimated)		445,000		456,000
Profit after Taxation		989,000		1,161,000
Less: Proportion of profits of subsidiary company attributable to outside interests—Note 1		24,000		—
Profit after Taxation attributable to shareholders of Arthur Bell & Sons Ltd.		965,000		1,161,000
Extraordinary Item—Note 2	212,000			
Less: Transferred from Capital Reserve	212,000			
Group Profit after Taxation and Extraordinary Item		965,000		1,161,000

NOTES:

1. Canning Town Glass Works Limited became a subsidiary during the half-year ended 30th June, 1975, and the 1975 figures include those of the subsidiary for the six months subject to adjustment for the proportion of profit attributable to outside interests. The 1974 amount of £9,000 is the proportion of Canning Town Glass Works Limited profit for the half-year to 30th June, 1974, relevant to BELL'S Associated Company interest during that period.
2. The extraordinary item comprises:

Expenses in connection with acquisition of a subsidiary company—Canning Town Glass Works Limited	£ 94,000
Discount on Debenture placing	53,000
Expenses of Rights Issue	65,000
	£212,000

Interim Dividend on Ordinary Shares

With the Treasury's consent and, in accordance with the dividend forecast contained in the rights issue document dated 11th June, 1975, the Directors have declared an Interim Dividend for the year to 31st December, 1975, of 2.41443p per share (1974 1.94835p). This Dividend will be paid on 1st December, 1975, to Ordinary Shareholders on the Register at close of business on 6th November, 1975.

DIDIER-WERKE AG
WIESBADEN, GERMANY
(Refractories and Engineering)

The Annual General Meeting [of] DIDIER-WERKE AG was held [in] Wiesbaden on July 18th, 1975 [an]d the following are extracts [fr]om the address given by the [Ch]airman of the Board of [Ma]nagement, Dr. Martin Bieneck [an]d from the report presented by [th]e Board.

Dr. Bieneck

Despite the difficulties of 1974, [DI]DIER had continued to develop [suc]cessfully.

Dr. Bieneck pointed out the [pa]rticular burden on the German [eco]nomy at the present time [be]cause of its dependence on [ex]ports. Exports are essential for [th]e German economy and it was [th]anks to exports that DIDIER [its]elf was able to increase group [sal]es by 22% to DM 728 million. [Th]e REFRACTORIES division, [ben]efiting from the steel boom, [ob]tained more than half its sales [ab]road, including indirect [ex]ports. More than half of the [inc]ome from other sub[sid]iaries was obtained from [for]eign plants.

Under present circumstances it [wa]s reasonable and economically [so]und for German companies to [inc]rease their investment abroad. [Thi]s would not endanger employ[me]nt in Germany but would safe[gu]ard it.

DIDIER's capital investment [pol]icy was sound and logical. In [197]4 some DM 31 million had [be]en invested mainly for [rat]ionalisation and quality im[pro]vement in the German refrac[tor]ies division and in 1975 again [th]e objective would be the same, [an]d a long-term expansion pro[gra]mme amounting to more than [DM] 20 million in the foreign [pla]nts would be carried out [wh]ich would involve no financial [bu]rden on the parent company.

Dr. Bieneck stressed that the [fut]ure prospects of the company [ha]d to be judged against the [gen]eral economic situation in the [mi]ddle of 1975. The drastic down[tur]n in the iron and steel in[du]stry of over 20% had produced [a] corresponding fall in the [de]mand for refractories. The [sa]me was true of cement and [gla]ss. New orders have therefore [fal]len by an average of 15% and, [des]pite the fact that the existing [ord]er book situation was rela[tiv]ely good, production and deliveries had fallen by 6% and 12% respectively in the first half year. The company had sharply reduced overtime working and run down staff by natural wastage and at present about 400 workers were affected by short-time working spread over four plants.

The most important task for the future was to restore confidence in the social market economy and for this the initiative would have to come from the Government.

Review

Refractories: The 1974 results here were determined by two complementary market factors. Firstly an unexpectedly high level of exports was achieved. Secondly, there was a boom in the steel industry which lasted virtually throughout the whole of the financial year. The group's sales of refractories rose to DM 521 million (plus 29%). Some 45% of these were exports.

The plants in the DIDIER engineering division achieved sales of DM 207 million (plus 9%), 62% of which were accounted for by exports.

Production (plus 4%) and deliveries (plus 7%) of refractories from German plants increased to around 650,000 tons. The foreign plants (France, Spain, Austria) achieved good results, producing some 100,000 tons, with sales of over DM 70 million.

Intensive research produced further quality improvements. There was a further expansion in the business in high temperature insulating products.

Engineering: Here again results were largely satisfactory although the recession in investment combined with the continued rise in production costs had some effect. There was lower utilisation of capacity at the Dinova plant for emulsion paints because of the recession in the building industry. The same applied to the Höhn plastics plant (piping and equipment) which also initially had raw materials difficulties because of the oil crisis. The more export-orientated firms were, however, able to improve earnings.

DIDIER engineering succeeded in obtaining new orders totalling over DM 200 million, offsetting cancellations and ensuring continued satisfactory employment of capacity.

Prospects

There is still no sign of an up-turn in activity in the domestic market or a sustained improvement in investment. In the current year, exports, particularly in terms of earnings, will not be able to compensate for the situation in the domestic market, and a fall in earnings is likely. It should however still be possible to achieve a satisfactory result because of the good order book situation in a number of divisions and the diversification of the refractories' business, and also some interesting developments in plant construction for the coal/coke industry.

Profit and Dividend

With sales up 18% to DM 571 million, and an increase of 17% in staff costs, the net profit for 1974 after allocation of DM 1 million to the voluntary reserve amounted to DM 11.2 million. It was therefore proposed to distribute a dividend of DM 6 plus a bonus of DM 1.50 a share (=15%). The Report, the Accounts and the proposals of the Board were adopted.

Supervisory Board
(Aufsichtsrat)

Shareholders' Representatives: Dr. Horst Burgard, Königstein/Taunus, Chairman; Dr. Ing. E.h. Edmund A. Bieneck, Wiesbaden, Deputy Chairman; Josef Fischer, Dortmund; Paul Lichtenberg, Frankfurt/Main; Dr. Felix Alexander Prentzel, Bad Homburg v.d.H.; Dr. jur. Wilhelm Winterstein, Munich.

Employees' Representatives: Werner Girke, Göttingen; Kurt Heinzel, Grünstadt; Siegfried Thannhäuser, Duisburg - Wanheimerort.

Board of Management
(Vorstand)

Dipl. Kfm. Dr. jur. Martin Bieneck, Dietrich von Knoop, Dipl. Ing. Ernst Mahler, Hansgeorg Mende, Dr. Ing. Hans Stollenwerk (all of Wiesbaden).

Didier-Figures 1965-1974 in DMm.

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Share Capital	60.0	63.0	68.0	68.0	68.0	68.0	68.0	68.0	68.5	74.4
Reserves	32.1	33.1	39.2	39.2	39.2	39.7	41.7	41.7	42.4	51.1
Fixed Assets	58.4	57.1	56.0	55.5	61.1	68.1	66.2	62.1	60.1	67.3
Participations	23.4	26.9	41.7	49.5	52.7	56.1	52.9	57.4	52.9	54.9
Net Profit	9.6	8.4	8.3	9.5	9.6	10.0	9.0	6.7	8.2	12.0
Turnover	282	308	364	400	461	447	419	405	482	571
Group Turnover	349	365	404	435	499	519	501	486	595	728

Copies of the full report can be obtained from Seafax Ltd., 2, The Mall, Ealing, London, W5 2PJ

Costain half-year statement

Mr. J. P. Sowden, chairman, reports:
The half-yearly statement for 1975 shows a substantial advance in profits and turnover compared with the first six months of 1974.

Whilst difficult trading conditions persist in some of our markets I expect that the overall results for the full year 1975 will show a useful increase on those for 1974. Orders outstanding at 30 June amounted to £400M with more than two-thirds applicable to our international operations.

The directors have declared an interim dividend in respect of 1975 at the rate of 2.0p per 25p ordinary share. They have the intention to recommend for the year 1975 the maximum permitted by government legislation.

Consolidated profit and loss account

	Six months to 30 June 1975 £'000	Six months to 30 June 1974 £'000	Year ended 31 December 1974 £'000
Turnover	107,000	84,000	193,000
Profit before taxation and extraordinary items	5,512	4,185	10,657
Less provision for taxation at estimated 47% for half year (1974–48%)	2,591	2,010	4,379
Profit after taxation and before extraordinary items	2,921	2,178	6,278
Less profit attributable to minority interests, extraordinary items and preference dividends	513	450	1,546
Amount available for ordinary shareholders	2,408	1,728	4,732
Interim dividend of 2.0p on the ordinary shares (1974–1.75p)	494	432	
Total dividend on the ordinary shares for 1974			962
Amount retained	1,914	1,296	3,770

Richard Costain Limited, 111 Westminster Bridge Road, London SE1 7UE

COSTAIN Britain's leading international construction group

De Beers Consolidated Mines Limited

(Incorporated in the Republic of South Africa)

Circular to Members and Notice of General Meeting

Proposed Increase of Capital

1. Proposals for the Consolidated Diamond Mines of South West Africa Limited (CDM) Premier (Transvaal) Diamond Mining Company Limited (Premier) and Sea Diamond Corporation Limited (Sea) to become wholly owned within the De Beers Group.

In joint company announcements published in the Press on 14th July 1975 by De Beers Consolidated Mines Limited (De Beers) jointly with CDM, Premier and Sea respectively, it was announced that the boards of directors had reached agreement in principle on proposals which it *was intended to implement* by way of Schemes of Arrangement whereby those companies would become wholly owned within the De Beers Group.

The bases of the proposed Schemes are as follows:—

(a) The CDM Schemes

i) CDM will reduce its issued share capital by cancelling 86 100 ordinary shares of R1,00 each (*1,565* per cent of the issued ordinary share capital) held by shareholders other than De Beers in consideration wherefor De Beers will allot 2 583 000 deferred shares of 5 cents each to the holders of the CDM shares in the ratio of 30 fully paid deferred shares for every one CDM ordinary share previously held.

ii) CDM will reduce its issued share capital by cancelling 2 664 549 *7,5* per cent cumulative preference shares of R1,00 each (59,477 per cent of the issued preference share capital) held by shareholders other than De Beers Group companies in consideration wherefor De Beers will allot 2 664 549 newly created 8 per cent cumulative second preference shares of R1,00 each to the holders of the CDM shares in the ratio of one second preference share for every CDM preference share previously held.

(b) The Premier Schemes

i) Premier will reduce its issued capital by cancelling 10 119 *250* per cent cumulative preference shares of 50 cents each (6,32 per cent of the issued preference share capital), together with the arrear dividends thereon held by shareholders other than De Beers in consideration wherefor De Beers will allot 161 904 newly created *8* per cent cumulative second preference shares of R1,00 each to the holders of the Premier shares in the ratio of 16 second preference shares for every one Premier preference share previously held.

ii) *Premier will reduce its issued* share capital by cancelling 4 985 deferred shares of 25 cents each (1,56 per cent of the issued deferred share capital) held by shareholders other than De Beers in consideration wherefor De Beers will allot 4 985 deferred shares of 5 cents each to the holders of the Premier deferred shares in the ratio of one fully paid De Beers deferred share for every one Premier deferred share previously held.

(c) The Sea Scheme

i) Sea will reduce its issued share capital by cancelling 3 315 000 ordinary shares of 10 cents each (23,16 per cent of the issued ordinary share capital) which are held by shareholders other than De Beers Holdings (Proprietary) Limited (Debhold) in consideration wherefor De Beers will allot 331 500 deferred shares of 5 cents each to the holders of the Sea shares in the ratio of one fully paid deferred share for every 10 Sea ordinary shares previously held.

ii) As consideration for the allotment by De Beers of deferred shares to the former holders of Sea ordinary shares, Debhold will allot to De Beers 600 000 fully paid ordinary shares in Debhold.

2. Reasons for the proposed Schemes

The Schemes have been proposed in each case because it is considered *that the interests of the shareholders other than De Beers Group* companies in CDM, Premier and Sea are not always coincidental in all *respects with those of the De Beers Group and the diamond industry* as a whole while their presence influences the decisions of the boards of those companies and of their holding company, De Beers, to a disproportionate extent.

In the event of the Schemes being implemented the former shareholders of CDM, Premier and Sea will retain an interest in the operations of those companies through their new holdings in De Beers while gaining the advantage of the greater security of earnings and potential for growth which De Beers can offer because of its wide spread of investments both within and outside the diamond industry. The existing De Beers shareholders will also benefit because it will be possible to employ the resources of the three companies to the best advantage of the Group and the diamond industry without having to consider the short-term interests of minority shareholders so that it is considered that the implementation of the Schemes will be in the best interests of all concerned.

Subject to the Schemes being approved by the requisite majorities of the shareholders concerned as provided in Section 311 of the Companies Act, 1973, as amended, and to their being sanctioned by the Court, the Schemes will become operative on the day on which the relative documents are registered by the Registrar of Companies, Pretoria. It is anticipated that the operative date will, in each case, be 3rd November 1975.

3. Availability of Schemes documents

Copies of the Schemes documents are available for inspection at the company's registered office, 36 Stockdale Street, Kimberley, 8301 and at its London office, 40 Holborn Viaduct, London EC1P 1AJ, and copies can be obtained on request from those offices and from the company's *transfer secretaries, Consolidated Share Registrars Limited*, 62 Marshall Street, Johannesburg (P.O. Box 61051, Marshalltown 2107) or Charter Consolidated Limited, PO Box 102, Charter House, Park Street, Ashford, Kent, TN24 8EQ, England.

4. Effect of the earnings and net asset value of De Beers

On the basis of the audited consolidated financial statements of De Beers for the year ended 31st December 1974, the earnings and net asset value of De Beers will not be materially affected by the implementation of the Schemes.

5. Increase in capital of De Beers

De Beers' present unissued deferred share capital which was placed under the control of the directors at the Annual General Meeting held on 20th May 1975 consists of 18 130 443 deferred shares. Of these, 2 919 485, equivalent to 0,82 per cent of the present issued deferred share capital, will be required for the purposes of the Schemes leaving 15 210 958 deferred shares unissued.

The proposals providing for the cancellation of the CDM and Premier preference shares not held within the De Beers Group are conditional on members of De Beers approving the creation of a new class of 8 per cent cumulative second preference shares of R1,00 each and members will accordingly be requested to approve resolutions increasing the capital of the company by R3 000 000 divided into 3 000 000 8 per cent cumulative second preference shares of R1,00 each and placing the *new shares under the control of the directors. In the event of* both proposals being sanctioned, 2 826 453 of these shares will be issued to the former holders of CDM and Premier preference shares.

6. Dividends on new shares allotted

The new deferred shares to be allotted in terms of the Schemes will qualify for all dividends declared on the deferred shares with effect from and including the final dividend in respect of the year ended 31st December 1975 which will be payable early in May 1976 to *shareholders registered at the end of March 1976.*

The new 8 per cent cumulative second preference shares to be allotted *in terms of the Schemes will qualify for all dividends declared on the* second preference shares including the first dividend of 4 cents per share for the period ending 31st December 1975 which it is proposed should be payable early in February 1976 to shareholders registered on 19th December 1975.

7. General

A general meeting of members of De Beers will be held on 6th October 1975 to consider the necessary resolutions to increase the capital, to place the newly created second preference shares under the control of the directors and to provide for ancillary matters as specified in the accompanying notice of general meeting.

Application will be made to The Johannesburg Stock Exchange for primary listings of and to the Rhodesian Stock Exchange and the Council of The Stock Exchange, London for listings of the additional De Beers deferred shares and the newly created De Beers second preference shares to be issued in terms of the Schemes. Applications will also be made, as soon as possible, for quotation of the additional deferred shares on the other stock exchanges on which the existing *deferred shares are quoted.*

It is anticipated that dealings in the De Beers deferred and second preference shares to be issued in terms of the Schemes will commence on the operative date which is expected to be 3rd November 1975.

Application will also be made to The Johannesburg Stock Exchange and to the Council of The Stock Exchange, London, to cancel the listings of the preference and ordinary shares of CDM and the ordinary shares of Sea from the close of business on the last business day (the record date) preceding the operative date. In the event of any of the Schemes not being implemented no such application will be made in respect of the shares relating to such Scheme. The Premier preference and deferred shares are not quoted on any stock exchange.

Should members of CDM and/or Premier fail to pass the necessary resolutions approving the Schemes on which the allotment of De Beers second preference shares are dependent, the special resolution to be considered at the general meeting of De Beers may be withdrawn or proposals may be submitted for its amendment to delete reference to any Scheme or Schemes which are not approved and to reduce the amount by which it is proposed to increase the share capital of the company.

Since 31st December 1974, to which date the last published audited accounts of De Beers were made up, no capital of De Beers has been issued for cash or otherwise, nor have any commissions, discounts, brokerages or other special terms in connection with the issue or sale of any capital of De Beers been granted. No capital of De Beers is under option or agreed conditionally to be put under option otherwise than as outlined in this circular and except as indicated herein no issue of shares is contemplated at the present time.

None of the Directors of De Beers has any beneficial shareholding in CDM, Premier or Sea.

Notice of General Meeting

Notice is accordingly hereby given that a general meeting of members of De Beers Consolidated Mines Limited will be held at the head office of the company, 36 Stockdale Street, Kimberley on Monday, 6th October 1975, at 12h00 for the following purposes:

1. *To consider and if deemed fit to pass, with or without modification* and in the manner required by the Companies Act, 1973, as amended, the following resolution as a special resolution:

"That subject to the Schemes of Arrangement entered into between The Consolidated Diamond Mines of South West Africa Limited and its shareholders and Premier (Transvaal) Diamond Mining Company Limited and its preference shareholders on 6th October 1975 being sanctioned by the Court the authorised capital of the company be and it is hereby increased from R22 750 000 divided into:

i) 800 000 *40* per cent cumulative preference shares of R5,00 each; and

ii) 375 000 000 deferred shares of 5 cents each

to R25 750 000 divided into

i) 800 000 *40* per cent cumulative preference shares of R5,00 each; and

ii) 3 000 000 *8* per cent cumulative second preference shares of R1,00 each; and

iii) 375 000 000 deferred shares of 5 cents each,

by the creation of 3 000 000 *8* per cent cumulative second preference shares of R1,00 each, which shares shall, when issued and fully paid, have the following special rights and privileges:—

i) The right, after payment of the dividend on the 800 000 40 per cent cumulative preference shares of R5,00 each to a dividend of 4 cents per share in respect of the period from the date of allotment of the shares to 31st December 1975 and thereafter to a fixed cumulative preferential dividend at the rate of 8 per cent per annum on the capital for the time being paid up on such share, which shall be calculated half-yearly up to 30th June and 31st December each year.

ii) In the event of the winding up of the company each *40* per cent cumulative preference share ranks in priority for the payment of any dividends which may be in arrear thereon down to the date of repayment of capital and as regards capital in priority to all other shares for the sum of *R40,00. Thereafter the assets* available for distribution among the shareholders and contributories shall be applied first in repayment of the capital paid up on the cumulative second preference shares together with a sum equal to the amount of all arrears or deficiency of the said fixed cumulative dividend whether earned or declared or not, down to the date of repayment of capital, and thereafter in repayment of the capital paid up on deferred shares.

iii) The rights attaching to the second preference shares shall not be subject to variation without the sanction of a special resolution of the holders of such second preference shares passed at a separate meeting of such holders.

iv) The holders of the second preference shares shall not be entitled to vote at any general meeting of the company except as otherwise provided in the Companies Act, 1973, as amended."

2. To consider and if deemed fit to pass, *with or without* modification the following resolution as an ordinary resolution:

"That subject to the passing and registration of the special resolution increasing the capital of the company from R22 750 000 to R25 750 000 by the creation of 3 000 000 new *8* per cent cumulative second preference shares of R1,00 each the directors be and are hereby authorised to allot and issue all or portion of the 3 000 000 *8* per cent cumulative second preference shares of R1,00 each in the capital of the company at such time or times to such person or persons, company or companies, and upon such terms and conditions as they may determine".

The reason for proposing the above special resolution and its effect are fully set out in the attached circular to members.

For the purposes of the above meeting and for the purpose of *registration for the interim dividend declared on the deferred* shares on 19th August 1975 the deferred share transfer registers and registers of members *will be closed from 27th September 1975 to 9th October* 1975 both days inclusive.

A member entitled to attend and vote at the meeting may appoint a proxy to attend, speak and, on a poll, vote in his stead. A proxy need not be a member of the company. A form of proxy to enable members *to vote for or against or to abstain from voting on the resolution* will accompany the copy of this notice posted to all shareholders and copies may also be obtained on request from the company.

Holders of deferred share warrants to bearer who desire to attend in person or by proxy or to vote at the meeting must comply with the regulations of the company under which share warrants to bearer are issued.

By order of the board
F. M. HODGSON
Group Secretary
Registered Office:
36 Stockdale Street,
Kimberley 8301.

9th September 1975

Premier (Transvaal) Diamond Mining Company Limited

(Incorporated in the Republic of South Africa)

Notice convening a General Meeting

NOTICE IS HEREBY GIVEN that a general meeting of Premier (Transvaal) Diamond Mining Company Limited will be held at 11h45 on 6th October 1975 at the Head Office of the company, 36 Stockdale Street, Kimberley, for the purpose of considering and, if deemed fit, passing, with or without modification the undermentioned Resolutions Nos. (i) and (ii) which will be proposed as Special Resolutions and the undermentioned Resolution No. (iii) which will be proposed as an Ordinary Resolution:

(i) As a Special Resolution

The conditions precedent to the registration of this Special Resolution are that:

(a) The Scheme of Arrangement (a copy of which, certified by the Chairman of the company, is annexed hereto and which is referred to in this Special Resolution as "the Deferred Share Scheme") between the company and the holders of the Deferred Scheme *Shares (as defined in the Scheme) is sanctioned in terms of Section* 311 of the Companies Act, 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division);

(b) The Scheme of Arrangement between the company and the holders of its preference shares other than De Beers Consolidated Mines Limited is sanctioned in terms of Section 311 of the Companies Act 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division);

(c) a certificate, signed by a director of the company, is attached to this Special Resolution stating that all the conditions precedent to the Scheme (other than the registration of the Special Resolution required to give effect to the Scheme and the registration by the Registrar of Companies of the certified copy of the Order of Court sanctioning the Scheme) have been carried out and have been complied with.

RESOLVED THAT subject to the abovementioned conditions precedent being complied with, the company's issued (and, if necessary, authorised) share capital be reduced by R1 246,25 by the cancellation of the Scheme shares (i.e. all the issued fully paid deferred shares of the company other than the 315 015 deferred shares held by De Beers Consolidated Mines Limited) and by transferring the sum of R1 246,25 to the company's share capital reduction account.

This Special Resolution is subject to the proviso that if the Supreme Court of South Africa does not confirm the reduction of the company's issued share capital as stated above without the simultaneous reduction of its authorised share capital, then that authorised share capital shall be reduced by the cancellation of the abovementioned shares.

(ii) As a Special Resolution

The conditions precedent to the registration of this Special Resolution are that:

(a) The Scheme of Arrangement (a copy of which certified by the Chairman of the company, is annexed hereto and which is referred to in this Special Resolution as "the Preference Share Scheme") between the company and the holders of the Preference Scheme Shares (as defined in the Scheme) is sanctioned in terms of Section 311 of the Companies Act 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division):

(b) a certificate, signed by a director of the company, is attached to this Special Resolution stating that all the conditions precedent to the Preference Share Scheme (other than the registration of the Special Resolution required to give effect to the Preference Share Scheme and the registration by the Registrar of Companies of the certified copy of the order of Court sanctioning the Preference Share Scheme) have been carried out and have been complied with.

RESOLVED THAT subject to the abovementioned conditions precedent being complied with, the company's issued (and, if necessary, authorised) share capital be reduced by R5 059,50 by the cancellation of the Preference Scheme Shares (i.e. all the issued fully paid preference shares of the company other than the 149 881 preference shares held by De Beers Consolidated Mines Limited) and by transferring the sum of R5 059,50 to the company's share capital reduction account.

This Special Resolution is subject to the proviso that if the Supreme Court of South Africa does not confirm the reduction of the company's issued share capital as stated above without the simultaneous reduction of its authorised share capital, then that authorised share capital shall be reduced by the cancellation of the abovementioned shares.

(iii) As an Ordinary Resolution:

RESOLVED THAT application be made to the Supreme Court of South Africa (Northern Cape Division) for the confirmation of the reduction of the capital of the company in terms of Special Resolutions Nos. (i) and (ii) and that any director of the company be and he is hereby authorised to do all things and sign all documents necessary to give effect thereto.

The reduction of the company's share capital is required to give effect to the Schemes of Arrangement between the company and the holders of its deferred and preference shares. Details of those reductions of capital are given in the Schemes and the Explanatory Statement thereto (which are in the documents of which this notice forms part).

Holders of preference share warrants to bearer who desire to attend in person or by proxy or to vote at the General Meeting must comply with the regulations under which the preference share warrants to bearer are issued.

Each member is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, vote at the meeting in his stead. The required proxy form is enclosed and copies may also be obtained on request from the company. Forms of proxy should be deposited at the offices of Premier at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or be posted to Premier at P.O. Box 616, Kimberley, 8300; or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975.

The company's registers of shareholders and transfer registers will be closed from the close of business on 26th September to 9th October 1975, inclusive.

By order of the board
DE BEERS CONSOLIDATED MINES LIMITED
Secretaries
Per: H. J. Crankshaw

Registered Office:
36 Stockdale Street,
Kimberley 8301

(P.O. Box 616,
Kimberley, 8300)

5th September 1975

Premier (Transvaal) Diamond Mining Company Limited

(Incorporated in the Republic of South Africa)

Notice convening a meeting of the holders of the Preference Shares

NOTICE IS HEREBY GIVEN that a meeting of the holders of the preference shares of Premier (Transvaal) Diamond Mining Company Limited will be held at 11h40 on 6th October 1975 at the Head Office of the company, 36 Stockdale Street, Kimberley, for the purpose of considering and, if deemed fit, passing with or without modification the undermentioned Resolution:

RESOLVED THAT the holders of the 250 per cent cumulative preference shares in Premier (Transvaal) Diamond Mining Company Limited consent to the passing of a Special Resolution by the company to provide for the company's issued (and, if necessary, authorised) preference share capital to be reduced by R5 059,50 by the cancellation of all of the issued fully paid cumulative preference shares of the company other than the 149 881 preference shares held by De Beers Consolidated Mines Limited and by transferring the sum of R5 059,50 to the company's share capital reduction account.

The reduction of the company's share capital *is required to give effect* to the Scheme of Arrangement between the company and the holders of the Preference Scheme Shares. Details of that reduction of capital are given in the Scheme and the Explanatory Statement thereto (which are in the documents of which this notice forms part).

Each member is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, vote at the meeting in his stead. The required proxy form is enclosed and copies may also be obtained on request from the company. Forms of proxy should be deposited at the offices of Premier at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or be posted to Premier at P.O. Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975.

Holders of preference share warrants to bearer who desire to attend in person or by proxy or to vote at the meeting must comply with the regulations under which the preference share warrants to bearer are issued.

The company's registers of shareholders and transfer registers will be closed from the close of business on 26th September to 9th October 1975, inclusive.

By order of the board
DE BEERS CONSOLIDATED MINES LIMITED
Per: H. J. Crankshaw

Registered Office:
36 Stockdale Street,
Kimberley 8301

(P.O. Box 616,
Kimberley, 8300)

5th September 1975

IN THE SUPREME COURT OF SOUTH AFRICA
(Northern Cape Division)
In the matter of the Application of

Premier (Transvaal) Diamond Mining Company Limited

Applicant

NOTICE is given in terms of an Order of Court dated 29th August 1975 in the above matter that the Supreme Court of South Africa (Northern Cape Division) has ordered a Meeting of the deferred shareholders of the abovementioned Applicant, Premier (Transvaal) Diamond Mining Company Limited ("the Company"), other than De Beers Consolidated Mines Limited and its nominees ("De Beers") to be held on 6th October 1975 at 10h45 at the head office of the Company, 36 Stockdale Street Kimberley, under the chairmanship of Mr Lucien Hertog (or failing him a partner of the firm Webber, Wentzel & Co., of Johannesburg, nominated by such firm for that purpose) for the purpose of considering and, if deemed fit, approving, with or without modification, a Scheme of Arrangement between the Company and its deferred shareholders (other than De Beers), which Scheme of Arrangement will be submitted to such Meeting:

Copies of the Scheme of Arrangement and Explanatory Statement in terms of Section 312 of the Companies Act, No. 61 of 1973 (as amended) explaining the Scheme and the Order of Court convening the Scheme Meeting have been sent to the shareholders concerned registered as such, and additional copies may be obtained on request from the Company at its registered office – 36 Stockdale Street, Kimberley, 8301 or at its London office – 40 Holborn Viaduct, London, EC1P 1AJ during normal business hours.

Each deferred shareholder (other than De Beers) may attend and vote in person at the Meeting and may appoint any other person (who need not be a member of the Company) as a proxy to attend and speak and vote in such deferred shareholder's place.

Each signed proxy form must be deposited at the offices of the Company at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or posted to the Company at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975, but if they are not so lodged or posted they can still be used if they are handed to the chairman of the Meeting not later than 10 (ten) minutes before the Meeting is due to commence.

The vote of the senior of the joint holders (for that purpose seniority shall be determined by the order in which the names of the joint holders stand in the Company's share register) who tenders a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

In terms of the Order of Court the chairman of the Meeting will report the results thereof to the above Honourable Court at 10h00 on [illegible] October 1975. The Scheme of Arrangement is subject to its being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of the Scheme of Arrangement.

HERTOG, MOULT, HORN, KRIEL & CO.
NBS Building,
Jones Street,
Kimberley.

IN THE SUPREME COURT OF SOUTH AFRICA
(Northern Cape Division)
In the matter of the Application of

Premier (Transvaal) Diamond Mining Company Limited

Applicant

NOTICE is given in terms of an Order of Court dated 29th August 1975 in the above matter that the Supreme Court of South Africa (Northern Cape Division) has ordered a Meeting of the preference shareholders of the abovementioned Applicant, Premier (Transvaal) Diamond Mining Company Limited ("the Company") other than De Beers Consolidated Mines Limited ("De Beers") to be held on 6th October 1975 at 10h30 at the head office of the Company, 36 Stockdale Street, Kimberley, under the chairmanship of Mr Lucien Hertog (or failing him a partner of the firm Webber, Wentzel & Co., of Johannesburg nominated by such firm for that purpose) for the purpose of considering and, if deemed fit, approving with or without modification, a Scheme of Arrangement between the Company and its preference shareholders (other than De Beers), which Scheme of Arrangement will be submitted to such Meeting.

Copies of the Scheme of Arrangement and Explanatory Statement in terms of Section 312 of the Companies Act, No. 61 of 1973 (as amended) explaining the Scheme and the Order of Court convening the Scheme Meeting have been sent to the shareholders concerned registered as such, and additional copies may be obtained on request from the Company at its registered office – 36 Stockdale Street Kimberley, 8301 or at its London office – 40 Holborn Viaduct London EC1P 1AJ during normal business hours.

Each preference shareholder (other than De Beers) may attend and vote in person at the Meeting and may appoint any other person (who need not be a member of the Company) as a proxy to attend and speak and vote in such preference shareholder's place.

Each signed proxy form must be deposited at the offices of the Company at 36 Stockdale Street Kimberley, or 40 Holborn Viaduct, London, or posted to the Company at PO Box 616, Kimberley 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975, but if they are not so lodged or posted they can still be used if they are handed to the chairman of the Meeting not later than 10 (ten) minutes before the Meeting is due to commence.

The vote of the senior of the joint holders (for that purpose seniority shall be determined by the order in which the names of the joint holders stand in the Company's share register) who tenders a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

Holders of preference share warrants to bearer who desire to attend in person or by proxy or to vote at the Scheme Meeting must comply with the following regulations under which the preference share warrants to bearer are issued—

"14. Any holder of a Share Warrant desirous of attending in person or by proxy, or of voting at any General Meeting of the Company at which he may be entitled to attend or vote shall produce the Share Warrant for verification or may at his option deposit same as follows:

(a) at the Head Office of the Company in Kimberley at least two clear days before the time appointed for the holding of the Meeting at which he proposes to attend or vote, or

(b) at the London Office or other Foreign Agency of the Company at least five days before the date appointed for the holding of the Meeting at which he proposes to attend or vote.

Upon such production or deposit he shall be entitled to receive a certificate, in such suitable form as the Directors shall decide, which shall state the name and address of the holder, and that he is entitled to attend and vote at such Meeting in respect of the Share Warrant produced or deposited by him, or to appoint some other person to attend and vote on his behalf. The certificate shall contain a form of proxy for use in case of delegation as aforesaid. Each certificate with delegation of authority thereunder, shall be surrendered to the Company at the Head Office at least forty-eight hours before the time appointed for the holding of the Meeting at which he desires to attend or vote, and no vote shall be taken into account in any scrutiny unless such certificate, with delegation, in case there be one, shall have been so surrendered.

If the holder of a Share Warrant should, between the time of the issue of the certificate hereinbefore mentioned, and the time fixed for the production or deposit of the Share Warrant, alienate to another person the Share Warrant in respect of which a certificate has been granted, the production or deposit by such other person of the Share Warrant shall be conclusive proof of the latter's right to attend or vote, and shall thereupon be entitled to receive a new certificate, or if a Share Warrant should between such times aforesaid be converted into 250 per cent cumulative preference shares of the Company, then in both cases the original certificate shall be voided and of no effect, provided however, that where portion only of the Share Warrants mentioned in any certificate shall have been transferred or converted, the original certificate and any power granted in respect thereof shall remain valid in regard to such Share Warrants therein mentioned as shall not have been transferred to and produced or deposited by another person or converted into 250 per cent cumulative preference shares of the Company.

In the event of the holder of a Share Warrant depositing his Warrant at the London Office or other Foreign Agency of the Company, it shall be released on the first business day following the day upon which the last mail leaves London by which proxies may reach Kimberley in time for the Meeting.

A vote given in accordance with the foregoing regulations shall be valid notwithstanding the previous death of the principal, or the revocation of the proxy (if any), or the alienation of the Share Warrant in respect of which the vote is given, provided that no intimation in writing of such death, revocation, or alienation shall have been received at the Head Office of the Company at least twelve hours before the time appointed for the holding of the Meeting."

In terms of the Order of Court the chairman of the Meeting will report *the results thereof to the above Honourable Court at 10h00 on 24th* October 1975. The Scheme of Arrangement is subject to it being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of the Scheme of Arrangement.

HERTOG, MOULT, HORN, KRIEL & CO.
NBS Building,
Jones Street,
Kimberley.

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Jaguar unveils its most expensive car to-day

BY PETER FOSTER

THE MOST expensive Jaguar ever produced—the 150 mph XJ-S sports coupé—is unveiled to-day on the eve of the Frankfurt motor show.

Costing £8,900, this new "flagship" of the British Leyland fleet is designed to capture sales from other European specialist car marques like Maserati, Ferrari and Mercedes in the lucrative U.S. market.

Powered by Jaguar's V12 5.3 litre engine with electronic fuel injection, the car offers acceleration of 0-60 mph in 6.8 seconds and very high standards of specification and comfort.

Earnings

The XJ-S features air conditioning, quartz halogen headlamps, electric windows and central door locking as standard as well as inertia reel belts, heated rear window and "federal" shock absorbent bumpers.

Threequarters of the planned production of 60 cars a week will be sent to the U.S. and Canada where, it is hoped, the car will earn more than £26m. in its first year, with another £4m. coming from other export markets, mainly Europe and Australia.

Jaguar points out that by sharing componets with its saloon range, the XJ-S offers exclusiveness of syle and low production volume but is also backed by a worldwide service and parts network.

The new car was mainly styled by the late Mr. Malcolm Sayer, who applied his many years of experience in aircraft aerodynamics to the design of a number of famous Jaguars. Mr. Sayer worked on the famous C. D and E-type models and the design of the XJ-S makes a positive contribution to both its road holding and stability.

Sir William Lyons, creator of the Jaguar name, also imprinted his style on the car.

Photo-scheme to reduce death on the motorway

A SCHEME to photograph cars travelling too fast in fog on motorways may come into experimental use soon in a bid to cut the annual death-toll in multiple crashes.

If the Environment Department decides to operate a specially-bought U.S.-built machine, drivers will not be brought before the courts.

The machine takes a photograph of a vehicle's number plate and superimposes a speedometer reading on the print. Drivers would then be contacted and asked to discus their reasons for travelling too quickly.

The infra-red photographs are among a number of road safety features being considered by Dr. John Gilbert, Transport Minister. None of the schemes involves the spending of taxpayers' money.

The Minister is also considering tightening up the driving test. It is believed he would favour increasing this to one hour. The test might include parking manoeuvres and questions on car maintenance.

CEGB names 12 axed power stations

Financial Times Reporter

THE Central Electricity Generating Board has disclosed the first group of 12 power stations that may be closed as a result of reduced demand for electricity.

The stations are: Stuart Street, Manchester; Stockport; Trafford; Warrington; Blackburn; Bolton; Carlisle; Clarence Dock, Liverpool; Hartshead; Kearsley; Lancaster and Ribble.

All are coal-fired and at least 15 years old. Many are not operating fully and have been on standby because of the economic recession.

A spokesman for the CEGB yesterday pointed out that any closure would be spread over a five- or six-year period. Some redundancies would be inevitable although every effort would be made to redeploy men anxious to stay in the industry.

The spokesman emphasised that the stations involved were more expensive than more modern and efficient stations. It was unlikely that they would be axed at the same time.

Consultations had already taken place between the CEGB and unions at individual locations and a final decision was expected towards the end of October.

Norton Villiers men reveal new machine

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

BEARING THE apt number plate ACT 10N, the action committee representing nearly 1,800 ex-employees at the Norton Villiers motor-cycle plant at Wolverhampton yesterday unveiled a revolutionary new machine that it is convinced could be the saviour of the ailing industry.

The brainchild of Mr. Bernard Hooper, former Norton Villiers Triumph chief designer and colleague John Favill, it was developed in collaboration with the National Research Development Council, which jointly held the patent rights. NVT is no longer interested in it.

Although rejected in 1973 by NVT in favour of the Norton Commando, it has been brought to roadworthy condition in the past fortnight by enthusiastic workers.

Called the SPX 500, the 500 c.c. power unit employs the stepped piston stratified charge principle which, although not new, is brought to a production state for what is believed to be the first time in this country.

Among the advantages claimed for the new engine are simplicity of production with fewer parts, ability to use existing manufacturing equipment, ease of assembly (which could be automated), higher power-to weight ratio and fuel economy. It also has inherent advantages in meeting emission regulations.

There are no problems of sealing it up or down between 125-75 c.c., and the 500 c.c. version can be multiplied to provide 1,000-1,500 c.c. car engines. In fact, before the project was abandoned, British Leyland had expressed considerable interest in it.

As a rough and ready comparison the new stepped piston engine is confidently expected to produce 40 b.h.p. with all the necessary — and considerably simpler — equipment to meet emission standards projected for the 1980s. This compares with an anticipated 16 h.p. for a similar conventional engine, and a 54 b.h.p. from the 850 c.c. Norton Commandos.

Its potential for car engines, especially as it is capable of running on a wide range of fuel —on two star unleaded petrol for instance—is seen to be substantial. No problems exist in converting it to diesel.

Negotiations are said to be proceeding satisfactorily for the financing of a new company and offers of support have come from various parts of the world.

The Consolidated Diamond Mines of South West Africa Limited

(Incorporated in the Republic of South Africa)

Notice convening a General Meeting

NOTICE IS HEREBY GIVEN that a general meeting of The Consolidated Diamond Mines of South West Africa Limited will be held at 11h30 on 6th October 1975 at the Head Office of the company, 36 Stockdale Street, Kimberley, for the purpose of considering and, if deemed fit, passing, with or without modification the undermentioned Resolutions Nos. (i) and (ii) which will be proposed as Special Resolutions and the undermentioned Resolution No. (iii) which will be proposed as an Ordinary Resolution:

i) As a Special Resolution

The conditions precedent to the registration of this Special Resolution are that:

(a) The Scheme of Arrangement (a copy of which, certified by the Chairman of the company, is annexed hereto and which is referred to in this Special Resolution as "the Scheme") between the company and the holders of the Ordinary Scheme shares (as defined in the Scheme) is sanctioned in terms of Section 311 of the Companies Act, 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division);

(b) a certificate, signed by a director of the company, is attached to this Special Resolution stating that all the conditions precedent to the Scheme (other than the registration of the Special Resolution required to give effect to the Scheme and the registration by the Registrar of Companies of the certified copy of the Order of Court sanctioning the Scheme) have been carried out and have been complied with.

RESOLVED THAT subject to the above-mentioned conditions precedent being complied with, the company's issued (and, if necessary, authorised) share capital be reduced by R86 100 by the cancellation of the Ordinary Scheme Shares (i.e. all the issued fully-paid ordinary shares of the company other than the 5 413 900 shares held by De Beers Consolidated Mines Limited and its nominees) and by transferring the sum of R86 100 to the company's share capital reduction account.

This Special Resolution is subject to the proviso that if the Supreme Court of South Africa does not confirm the reduction of the company's issued share capital as stated above without the simultaneous reduction of its authorised share capital, then that authorised share capital shall be reduced by the cancellation of the abovementioned shares.

ii) As a Special Resolution

The conditions precedent to the registration of this Special Resolution are that:

(a) The Scheme of Arrangement (a copy of which, certified by the Chairman of the company, is annexed hereto and which is referred to in this Special Resolution as "the Preference Share Scheme") between the company and the holders of the Preference shares other than De Beers Consolidated Mines Limited and certain of its subsidiary companies (the Preference Scheme Shares) is sanctioned in terms of Section 311 of the Companies Act, 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division).

(b) The Scheme of Arrangement (a copy of which, certified by the Chairman of the company, is annexed hereto) between the company and the holders of the Ordinary Scheme shares (as defined in the Scheme) is sanctioned in terms of Section 311 of the Companies Act, 1973, as amended, by the Supreme Court of South Africa (Northern Cape Division);

(c) a certificate, signed by a director of the company, is attached to this Special Resolution stating that all the conditions precedent to the Preference Share Scheme (other than the registration of the Special Resolution required to give effect to the Preference Share Scheme and the registration by the Registrar of Companies of the certified copy of the Order of Court sanctioning the Preference Share Scheme) have been carried out and have been complied with.

RESOLVED THAT subject to the abovementioned conditions precedent being complied with, the company's issued (and, if necessary, authorised) share capital be reduced by R2 664 549 by the cancellation of the Preference Scheme shares (i.e. all the issued fully paid preference shares of the company other than the 1 815 451 preference shares held by De Beers Consolidated Mines Limited and its subsidiaries) and by transferring the sum of R2 664 549 to the company's share capital reduction account.

This Special Resolution is subject to the proviso that if the Supreme Court of South Africa does not confirm the reduction of the company's issued share capital as stated above without the simultaneous reduction of its authorised share capital, then that authorised share capital shall be reduced by the cancellation of the abovementioned shares.

iii) As an Ordinary Resolution

RESOLVED THAT application be made to the Supreme Court of South Africa (Northern Cape Division) for the confirmation of the reduction of the capital of the company in terms of Special Resolutions Nos. (i) and (ii) and that any director of the company be and he is hereby authorised to do all things and sign all documents necessary to give effect thereto.

The reduction of the company's share capital is required to give effect to the Schemes of Arrangement between the company and the holders of the Ordinary and Preference Schemes shares. Details of those reductions of capital are given in the Schemes and the Explanatory Statement thereto (which are in the documents of which this notice forms part).

Each member is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, vote at the meeting in his stead. The required proxy form is enclosed and copies may also be obtained on request from the company. Forms of proxy should be deposited at the offices of CDM at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or be posted to CDM at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975.

Holders of ordinary and preference share warrants to bearer who desire to attend in person or by proxy or to vote at the General Meeting must comply with the regulations under which the share warrants are issued.

The company's registers of ordinary shareholders and ordinary share transfer registers will be closed from the close of business on 26th September to 9th October 1975, inclusive.

By order of the board
DE BEERS CONSOLIDATED MINES LIMITED
Secretaries
Per: S. M. Jackson
Registered Office:
36 Stockdale Street, Kimberley, 8301
(P.O. Box 616,
Kimberley, 8300)

9th September 1975

to bearer are issued –

"13. Any holder of a Share Warrant desirous of attending in person or by proxy, or of voting at any General Meeting of the Company, shall produce the Share Warrant for verification or may at his option deposit same as follows:

(a) At the Head Office of the Company in Kimberley at least two clear days before the time appointed for the holding of the Meeting at which he proposes to attend or vote, or

(b) At the London Office or other Foreign Agency of the Company at least five days before the date appointed for the holding of the Meeting at which he proposes to attend or vote.

Upon such production or deposit he shall be entitled to receive a certificate, in such suitable form as the Directors shall decide upon, which shall state the name and address of the holder, and that he is entitled to attend and vote at such Meeting in respect of the Share Warrant produced or deposited by him, or to appoint some other person, duly qualified as provided in Article 87 of the Articles of Association, to attend and vote on his behalf. The certificate shall contain a form of proxy for use in case of delegation as aforesaid. Each certificate, with delegation of authority thereunder, shall be surrendered to the Company at the Head Office at least forty-eight hours before the time appointed for the holding of the Meeting at which he desires to attend or vote, and no vote shall be taken into account in any scrutiny unless such certificate, with delegation, in case there be one, shall have been so surrendered.

If the holder of a Share Warrant should, between the time of the issue of the certificate hereinbefore mentioned and the time fixed for the production or deposit of the Share Warrant, alienate to another person the Share Warrant in respect of which a certificate has been granted, the production or deposit by such other person of the Share Warrant shall be conclusive proof of the latter's right to attend or vote, and he shall thereupon be entitled to receive a new certificate, or if a Share Warrant should between such times aforesaid be converted into ordinary shares of the Company, then in both cases the original certificate shall be voided and of no effect, provided, however, that where portion only of the Share Warrants mentioned in any certificate shall have been transferred or converted the original certificate and any power granted in respect thereof shall remain valid in regard to such Share Warrants therein mentioned as shall not have been transferred to and produced or deposited by another person or converted into ordinary shares of the Company.

In the event of the holder of a Share Warrant depositing his Warrant at the London Office or other Foreign Agency of the Company, it shall be released on the first business day following the day upon which the last mail leaves London by which proxies can reach Kimberley in time for the Meeting.

A vote given in accordance with the foregoing regulations shall be valid notwithstanding the previous death of the principal, or the revocation of the proxy (if any), or the alienation of the Share Warrant in respect of which the vote is given, provided that no intimation in writing of such death, revocation, or alienation shall have been received at the Head Office of the Company at least twelve hours before the time appointed for the holding of the Meeting."

In terms of the Order of Court the Chairman of the Meeting will report the result thereof to the above Honourable Court at 10h00 on 24th October 1975. The Scheme of Arrangement is subject to it being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of the Scheme of Arrangement.

HERTOG, MOULT, HORN, KRIEL & CO.
NBS Building,
Jones Street,
Kimberley.

The Consolidated Diamond Mines of South West Africa Limited

(Incorporated in the Republic of South Africa)

Notice convening a meeting of the holders of the Preference Shares

NOTICE IS HEREBY GIVEN that a meeting of the holders of the preference shares of The Consolidated Diamond Mines of South West Africa Limited will be held at 11h35 on 6th October 1975 at the Head Office of the company, 36 Stockdale Street, Kimberley, for the purpose of considering and, if deemed fit, passing with or without modification the undermentioned Resolution:

RESOLVED THAT the holders of the 7.5 per cent cumulative preference shares in The Consolidated Diamond Mines of South West Africa Limited consent to the passing of a Special Resolution by the company to provide for the company's issued (and, if necessary, authorised) preference share capital to be reduced by R2 664 549 by the cancellation of the Preference Scheme Shares (i.e. all the issued fully paid cumulative preference shares of the company other than the 1 815 451 shares held by De Beers Consolidated Mines Limited and its subsidiaries) and by transferring the sum of R2 664 549 to the company's share capital reduction account.

The reduction of the company's share capital is required to give effect to the Scheme of Arrangement between the company and the holders of the Preference Scheme Shares. Details of that reduction of capital are given in the Scheme and the Explanatory Statement thereto (which are in the documents of which this notice forms part).

Each member is entitled to appoint a proxy (who need not be a member of the company) to attend, speak and, on a poll, vote at the meeting in his stead. The required proxy form is enclosed and copies may also be obtained on request from the company. Forms of proxy should be deposited at the offices of CDM at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London or be posted to CDM at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975.

Holders of preference share warrants to bearer who desire to attend in person or by proxy or to vote at the meeting must comply with the regulations under which the preference share warrants to bearer are issued.

The company's registers of shareholders and transfer registers will be closed from the close of business on 26th September to 9th October 1975, inclusive.

By order of the board
DE BEERS CONSOLIDATED MINES LIMITED
Secretaries
Per: S. M. Jackson
Registered Office:
36 Stockdale Street, Kimberley, 8301
(P.O. Box 616, Kimberley, 8300)

9th September 1975

IN THE SUPREME COURT OF SOUTH AFRICA
(Northern Cape Division)

In the matter of the Application of

The Consolidated Diamond Mines of South West Africa Limited

Applicant

NOTICE is given in terms of an Order of Court dated 29th August 1975 in the above matter that the Supreme Court of South Africa (Northern Cape Division) has ordered a meeting of the ordinary shareholders of the abovementioned Applicant, The Consolidated Diamond Mines of South West Africa Limited ("the Company") other than De Beers Consolidated Mines Limited and its nominees ("De Beers") to be held on 6th October 1975 at 10h00 at the head office of the Company, 36 Stockdale Street, Kimberley, under the chairmanship of Mr Lucien Hertog (or failing him a partner of the firm Webber, Wentzel & Co., of Johannesburg, nominated by such firm for that purpose) for the purpose of considering and, if deemed fit, approving, with or without modification, a Scheme of Arrangement between the Company and its ordinary shareholders (other than De Beers) which Scheme of Arrangement will be submitted to such Meeting.

Copies of the Scheme of Arrangement and Explanatory Statement in terms of Section 312 of the Companies Act, No. 61 of 1973 (as amended) explaining the Scheme and the Order of Court convening the Scheme Meeting have been sent to the shareholders concerned registered as such, and additional copies may be obtained on request from the Company at its registered office – 36 Stockdale Street Kimberley, 8301 or at its London office – 40 Holborn Viaduct London EC1P 1AJ during normal business hours.

Each ordinary shareholder (other than De Beers) may attend and vote in person at the Meeting and may appoint any other person (who need not be a member of the Company) as a proxy to attend and speak and vote in such ordinary shareholder's place.

Each signed proxy form must be deposited at the offices of the Company at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or posted to the Company at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975, but if they are not so lodged or posted they can still be used if they are handed to the Chairman of the Meeting not later than 10 (ten) minutes before the Meeting is due to commence.

The vote of the senior of the joint holders (for that purpose seniority shall be determined by the order in which the names of the joint holders stand in the Company's share register) who tenders a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

Holders of ordinary share warrants to bearer who desire to attend in person or by proxy or to vote at the Scheme Meeting must comply with the following regulation under which the ordinary share warrants

IN THE SUPREME COURT OF SOUTH AFRICA
(Northern Cape Division)

In the matter of the Application of

The Consolidated Diamond Mines of South West Africa Limited

Applicant

NOTICE is given in terms of an Order of Court dated 29th August 1975 in the above matter that the Supreme Court of South Africa (Northern Cape Division) has ordered a meeting of the preference shareholders of the abovementioned Applicant, The Consolidated Diamond Mines of South West Africa Limited ("the Company"), other than De Beers Consolidated Mines Limited and its subsidiary companies ("De Beers"), to be held on 6th October 1975 at 10h15 at the head office of the Company, 36 Stockdale Street, Kimberley under the chairmanship of Mr Lucien Hertog (or failing him a partner of the firm Webber, Wentzel & Co., of Johannesburg, nominated by such firm for that purpose) for the purpose of considering and, if deemed fit approving, with or without modification, a Scheme of Arrangement between the Company and its preference shareholders (other than De Beers) which Scheme of Arrangement will be submitted to such Meeting.

Copies of the Scheme of Arrangement and Explanatory Statement in terms of Section 312 of the Companies Act, No. 61 of 1973 (as amended) explaining the Scheme and the Order of Court convening the Scheme Meeting have been sent to the shareholders concerned registered as such, and additional copies may be obtained on request from the Company at its registered office – 36 Stockdale Street Kimberley, 8301 or at its London office – 40 Holborn Viaduct London EC1P 1AJ during normal business hours.

Each preference shareholder (other than De Beers) may attend and vote in person at the Meeting and may appoint any other person (who need not be a member of the Company) as a proxy to attend and speak and vote in such preference shareholder's place.

Each signed proxy form must be deposited at the offices of the Company at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or posted to the Company at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975, but if they are not so lodged or posted they can still be used if they are handed to the Chairman of the Meeting not later than 10 (ten) minutes before the Meeting is due to commence.

The vote of the senior of the joint holders (for that purpose seniority shall be determined by the order in which the names of the joint holders stand in the Company's share register) who tenders a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

Holders of preference share warrants to bearer who desire to attend in person or by proxy or to vote at the Scheme Meeting must comply with the following regulation under which the preference share warrants to bearer are issued –

"13. Any holder of a Share Warrant desirous of attending in person or by proxy, or of voting at any General Meeting of the Company at which he may be entitled to attend or vote shall produce the Share Warrant for verification or may at his option deposit same as follows:

(a) At the Head Office of the Company in Kimberley at least two clear days before the time appointed for the holding of the Meeting at which he proposes to attend or vote, or

(b) At the London Office or other Foreign Agency of the Company at least five days before the date appointed for the holding of the Meeting at which he proposes to attend or vote.

Upon such production or deposit he shall be entitled to receive a certificate, in such suitable form as the directors shall decide upon, which shall state the name and address of the holder, and that he is entitled to attend and vote at such Meeting in respect of the Share Warrant produced or deposited by him, or to appoint some other person, duly qualified as provided in Article 87 of the Articles of Association, to attend and vote on his behalf. The certificate shall contain a form of proxy for use in case of delegation as aforesaid. Each certificate, with delegation or authority thereunder, shall be surrendered to the Company at the Head Office at least forty-eight hours before the time appointed for the holding of the Meeting at which he desires to attend or vote, and no vote shall be taken into account in any scrutiny unless such certificate, with delegation, in case there be one, shall have been so surrendered.

If the holder of a Share Warrant should, between the time of the issue of the certificate hereinbefore mentioned, and the time fixed for the production or deposit of the Share Warrant, alienate to another person the Share Warrant in respect of which a certificate has been granted, the production or deposit by such other person of the Share Warrant shall be conclusive proof of the latter's right to attend or vote, and he shall thereupon be entitled to receive a new certificate, or if a Share Warrant should between such times aforesaid be converted into 7.5 per cent cumulative preference shares of the Company, then in both cases the original certificate shall be voided and of no effect, provided, however, that where portion only of the Share Warrant mentioned in any certificate shall have been transferred or converted, the original certificate and any power granted in respect thereof shall remain valid in regard to such Share Warrants therein mentioned as shall not have been transferred to and produced or deposited by another person or converted into 7.5 per cent cumulative preference shares of the Company.

In the event of the holder of a Share Warrant depositing his Warrant at the London Office or other Foreign Agency of the Company, it shall be released on the first business day following the day upon which the last mail leaves London by which proxies can reach Kimberley in time for the Meeting.

A vote given in accordance with the foregoing regulations shall be valid notwithstanding the previous death of the principal, or the revocation of the proxy (if any) or the alienation of the Share Warrant in respect of which the vote is given, provided that no intimation in writing of such death, revocation, or alienation shall have been received at the Head Office of the Company at least twelve hours before the time appointed for the holding of the Meeting."

In terms of the Order of Court the Chairman of the Meeting will report the results thereof to the above Honourable Court at 10h00 on 24th October 1975. The Scheme of Arrangement is subject to it being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of the Scheme of Arrangement.

HERTOG, MOULT, HORN, KRIEL & Co.
NBS Building,
Jones Street,
Kimberley.

IN THE SUPREME COURT OF SOUTH AFRICA
(Northern Cape Division)

In the matter of the Application of

Sea Diamond Corporation Limited

Applicant

NOTICE is given in terms of an Order of Court dated 29th August 1975 in the above matter that the Supreme Court of South Africa (Northern Cape Division) has ordered a Meeting of the ordinary shareholders of the abovementioned Applicant, Sea Diamond Corporation Limited ("the Company") other than De Beers Holdings (Proprietary) Limited and its nominees ("Debhold") to be held on 6th October 1975 at 11h00 at the head office of the Company, 36 Stockdale Street, Kimberley, under the chairmanship of Mr Lucien Hertog (or failing him a partner of the firm Webber, Wentzel & Co. of Johannesburg, nominated by such firm for that purpose) for the purpose of considering and, if deemed fit, approving, with or without modification, a Scheme of Arrangement between the Company and its ordinary shareholders (other than Debhold), which Scheme of Arrangement will be submitted to such Meeting.

Copies of the Scheme of Arrangement and Explanatory Statement in terms of Section 312 of the Companies Act, No. 61 of 1973 (as amended) explaining the Scheme and the Order of Court convening the Scheme Meeting have been sent to the shareholders concerned registered as such, and additional copies may be obtained on request from the Company at its registered office – 36 Stockdale Street Kimberley, 8301 or at its London office – 40 Holborn Viaduct London EC1P 1AJ during normal business hours.

Each ordinary shareholder (other than Debhold) may attend and vote in person at the Meeting and may appoint any other person (who need not be a member of the Company) as a proxy to attend and speak and vote in such ordinary shareholder's place.

Each signed proxy form must be deposited at the offices of the Company at 36 Stockdale Street, Kimberley, or 40 Holborn Viaduct, London, or posted to the Company at PO Box 616, Kimberley, 8300, or PO Box 102, Charter House, Park Street, Ashford, Kent, TN23 2BR, England, so as to be received not later than 3rd October 1975, but if they are not so lodged or posted they can still be used if they are handed to the chairman of the Meeting not later than 10 (ten) minutes before the Meeting is due to commence.

The vote of the senior of the joint holders (for that purpose seniority shall be determined by the order in which the names of the joint holders stand in the Company's share register) who tenders a vote in person or by proxy will be accepted to the exclusion of the other joint holders.

In terms of the Order of Court the chairman of the Meeting will report the results thereof to the above Honourable Court at 10h00 on 24th October 1975. The Scheme of Arrangement is subject to it being sanctioned by the above Honourable Court and to the conditions stated in clause 6 of the Scheme of Arrangement.

HERTOG, MOULT, HORN, KRIEL & CO.
NBS Building,
Jones Street,
Kimberley

INTERNATIONAL COMPANY NEWS + EURO MARKETS

Flick group resigned to a 1975 setback after an eventful year

BY NICHOLAS COLCHESTER

DUSSELDORF, Sept. 9.

With its widespread industrial interests reflecting the troubles of the West German economy, the Flick holding company has yet to decide where to invest the proceeds of its sale early this year of 29 per cent. of the share capital of Daimler-Benz. Its management is resigned to a 13 per cent. fall in turnover for 1975 to DM6.8bn. from the sales figure of DM8.1bn. which the consolidated operating subsidiaries achieved in 1974. A considerable deterioration in profit is also expected.

This will go down as an eventful year in the history of the powerful family group. It started with the partners' decision to sell the majority of their 40 per cent. stake in Daimler-Benz, and continued with the decision of the two nephews of the present chief executive, Friederich Karl Flick, to separate themselves from the company. Because of a long-running family disagreement which had crystalised into an argument over management style, the two partners cashed in their holdings for several hundred million Deutschemarks, and left.

But to the question: where does Flick go now? There is still no answer. At a Press conference on Monday, director Dr. Eberhard Von Brauchitsch revealed that talks were held late last month with the Economics Minister, Hans Friderichs, in which the Flick management outlined their thoughts on ways of investing the Daimler-Benz money in "industrial concepts." He admitted that Government policy would play its part in the final decision, for under the tax laws the Government is entitled to withhold up to 60 per cent. of the estimated DM2bn. which the Deutsche Bank will pay Flick for the Daimler shares on the first day of next year.

Meanwhile, the depressed state of world business has left its mark *on every one of* Flick's divisions in the current year. Some measure of the resulting slack can be gained from the number of productive man-hours worked by the Flick companies so far this year. The figure for the first eight months was 40m. wage hours, compared with 48m. in the equivalent period of last year. One-third of this reduction was achieved through "short time work," about one-half through redundancies in the Flick workforce of 60,000, and about one sixth through the fact that a large amount of overtime was worked in 1974.

The group's turnover in the first eight months was DM4.3bn., or 19 per cent. less than in 1974. As in other sectors of German industry the sharp fall in export orders made an important contribution to this reduction.

In 1973, Flick exported DM1.4bn., or 22 per cent. of turnover. In 1974 the figures rose to DM2.3bn. and 28 per cent. In the first half of this year they were back down to DM780m. and 24 per cent.

The largest Flick subsidiary is Gruppe Buderus, itself a diversified heavy industrial group with interests in cement, concrete, foundry products (Buderus'sche Eisenwerke) and industrial machinery and armaments (Krauss-Maffei). The troubles of these last two subsidiaries made 1974 a poor year for this group. The foundry products group was hit by the cost of a much-needed programme of rationalisation and an increase in turnover which was only nominal. Krauss-Maffei suffered from losses on an ill-fated project to develop a new *system* of urban transport and from the collapse in the market for plastic injection-moulding machinery. The total turnover of the group was up from DM3.19bn. to DM3.41bn. But Buderus made no contribution to Flick's profit. There is no sign of relief in 1975; in the first eight months the group's turnover was down by 10 per cent. to DM1.5bn.

The Flick subsidiary Dynamit Nobel, which is involved in chemicals, plastics and explosives, had a good year in 1974 but is now suffering from the exaggerated cyclical slump which has hit the world chemical industry. Its turnover was up last year by 25 per cent. to DM2.04 *bn. and it made a net profit of* DM.30m. This year, things are tougher. The chemicals division, which accounts for about one half of turnover, registered a 33 per cent. drop in sales for the first eight months and the plastics division a 25 per cent. drop, largely because of the poor state of the West German construction industry. The only bright spot was in the explosives business where sales were up by 4.5 per cent. Overall, Dynamit Nobel's turnover for the first eight months was down by 24 per cent. to DM.1.1bn.

Feldmuehle group, a manufacturer of paper and paper products, has also been hit by a marked cyclical slump in its markets. Turnover for the first eight months was down by 20 per cent. to DM.900m. This development followed a good year in 1974 in which the company achieved sales up thirty per cent. to DM.1.83bn. and an after-tax profit of DM.73m. This profit was ploughed straight back into the business, however, as it followed three lean years and preceded what looks like a fourth one.

Finally Maxhuette, a steel producer, has also been plunged from prosperity *to gloom* by the deterioration in its sector. Last year turnover went up 33 per cent. to DM2bn. and led to after-tax profit of about DM38m. So far this year, that is to the end of August, Maxhuette's sales are down by 24 per cent. to DM820m. The Flick partners expect no improvement in the business of Feldmuehle and Maxhuette over the remainder of this year. They do, however, see a likelihood of a pick-up in sales for Buderus and Dynamit Nobel, and it is on this assumption that their turn*over prediction for the whole* group is based.

Last year the Flick group achieved a total turnover of DM9.33bn., of which DM1.28bn. was internal trading. The total figure was up from DM7.855bn. in 1973, of which DM1.17bn. was internal. After-tax profit was up from DM62m. to DM75m.

Preussag stays in the black

BY GUY HAWTIN

FRANKFURT, Sept. 9.

PREUSSAG, which has just paid its first dividend since 1970, is still in the black despite a 9.6 per cent. fall in turnover during the first half of the current year.

An interim statement by the Hanover-based metals and chemicals concern revealed that turnover, excluding inter-group trading, in the first six months of 1975 had fallen to DM1.15bn. from DM1.28bn. in same period of last year. The concern, however, achieved balanced results although the second quarter had not brought about the improvement needed to produce positive profits.

Particularly hard hit were the metals and construction operation, according to the report. Prices and demand were down and earnings were below the level of first half 1974. The oil and chemicals sector had done well, and while earnings in the transport sector were lower than opening six months of 1974 it was still making a profit.

Consolidated turnover figures show a heavy fall in turnover in the heavy and precious metals sector. It fell from DM821.3m. in the first half of 1974 to DM434.1m. Demand for lead and zinc had been particularly depressed, said the report, and demand from the domestic metal processors remained low, while the export market had been difficult.

In the aluminium branch the half-yearly turnover rose from DM168.9m. to DM184.7m. But the concern commented that as a result of sharp competition average profits on smelted aluminium had continued to fall but further price declines were not expected as producers, particularly in the United States, had taken measures to reduce output and stabilise demand.

Capital investment in the first half of 1975 totalled DM105m.—more than double the DM51.9m. spent in the same period of 1974. Investment emphasis was upon the transport, coal, chemicals and oil sectors. Investment in the transport branch *rose from* DM10m. to DM29.6m. In the coal sector it went up from DM14.8m. to *DM27.1m.*, while in the oil and chemicals area the rise was *from* DM9.1m. to DM19.5m.

Comecon borrower raises $240m.

BY MARY CAMPBELL

The East European International Investment Bank is negotiating a $240m. loan on the Euromarkets, market sources report. The loan is said to offer a spread of 1¼ per cent. on a five-year maturity. Deutsche Bank is reportedly the lead manager.

The financing is part of a continuing large volume of medium term financing by Eastern European borrowers. This includes a regular flow of medium-term Euromarket syndicated loans as well as large amounts of so-called "Forfaitung" trade finance. Forfaitung involves issuing trade bills for anything up to five or six years. These are discounted by banks *without recourse. (See also Page 19).*

The coupon on Philips Lamp's Euroguilder note issue was wrongly reported as 8½ per cent. in yesterday's Financial Times. It is in fact 8¼ per cent.

Saab-Scania profits fall

By William Dullforce

STOCKHOLM, Sept. 9.

SAAB-SCANIA, the Swedish commercial vehicle, automobile and aircraft manufacturer, expects a drop in earnings this year after an appreciable decline in profit margins and an increase in interest costs during the first half. The Board has lowered the cautious forecast of an unchanged profit given in the 1974 annual report.

Compared with the first half last year group sales during the first six months rose by 18 per cent. to Kr.3.7bn. (£406m.) but the profit after depreciation and before extraordinary items and tax was down from Kr.180m. to Kr.138m. (£15m.), equivalent to 3.7 per cent. of turnover compared with 5.7 per cent. Adjusted net earnings per share fell from Kr.17.26 to Kr.12.75.

The Board hopes to maintain the turnover growth rate during the second half but *points out that* earnings will continue to be pressed by cost increases, occasioned principally by the rise in Swedish wage levels. Orders in hand at the end of June at Kr.4.1bn. were 18 per cent. higher than 12 months earlier but had increased only marginally since the beginning of the year.

The half-way profit was curbed by increases in depreciation — from Kr.93m. to Kr.124m. — and in interest charges, which rose by nearly Kr.30m. to Kr.81m. The group has stepped up both its short-term and long-term borrowing substantially during the six months, most of it from the international capital market.

The need for capital has come not only from cost increases but also from the continued high rate of group investment. Investment in plant and equipment during the first half reached Kr.260m. (Kr.28.5m.), of which Kr.237m. went to the commercial vehicle and car divisions.

The Scania division, which produces the commercial vehicles, has been the group's main buttress during the downturn in the car market. It accounted for the bulk of group profit last year and with a 20 per cent. rise in sales continued to provide 45 per cent. of total turnover during the first half of this year. Car sales rose by only 13 per cent., the bulk of which must be attributed to increases in selling prices.

The aerospace division, which provides less than 13 per cent. of group sales but which produced a healthy profit last year, recorded only a marginal increase in turnover during the first half of this year, while the Datasaab computer division, which has been a heavy loss-maker, increased sales by 40 per cent. to Kr.175m., maintaining the level reached in the second half of 1974.

KemaNord sees earnings drop

By William Dullforce

STOCKHOLM, Sept. 9.

KEMANORD, THE Swedish chemicals group, forecasts a 20 to 30 per cent. drop in earnings and only a slight increase in turnover for 1975, but believes it will maintain "satisfactory" profitability. If the forecast holds, KemaNord will have a pre-tax profit of between Kr.135m. and Kr.150m. on sales of just under Kr.1.5bn.

The group had a record 45.8 per cent. return on equity in 1974 and earlier this year managing-director Ove Sundberg stated it would have to maintain at least a 20 per cent. return, to compete successfully with U.S. and European chemical companies.

The group's eight-month report shows a 10 per cent. increase in turnover to Kr.909m. (£99m.) and *earnings after financial items* but before tax of Kr.92.8m. (£1.2m.), compared with Kr.112.6m. for the corresponding period last year. Adjusted for inventory gains, group earnings in fact rose from Kr.83m. to Kr.87m.

The report warns that trading during the rest of the year will give poorer results and total turnover is expected to show only an insignificant increase over the Kr.1.4bn. (£153m.) achieved last year.

The plastics division, which accounts for over 20 per cent. of group turnover, had a 3 per cent. fall in sales over the eight months, while industrial chemicals increased turnover by 33 per cent., consumer goods by 13 per cent. and speciality chemicals by 5 per cent.

Iggesund sales down 15%

By John Walker

STOCKHOLM, September 9

IGGESUND, the Swedish forest products, steel and chemicals group states that turnover during the first seven months of this year dropped by 15 per cent. to Kr.585m. (£64m.) compared with Kr.693m. during the same period last year.

The gross profit is not expected to exceed the level of earlier years of about Kr.170m. Group sales for the whole of this year are expected to be about Kr.1.10bn. (£12m.) compared with Kr.1.28bn. for the whole of 1974.

The operating profit fell from Kr.99m. in the first seven months of 1974 to Kr.44m. in the same period this year. During recent months a combination of a prices drop in a number of the main products and a reduction in the order intake have been the main factors affecting profit. In addition there has been an increase in wages and costs for processing timber, a sector which has been severely affected.

Sony shares drop sharply on cut in U.S. analysts' forecast

BY CHARLES SMITH

TOKYO, Se

SONY SUFFERED a sharp fall in its share price on the Tokyo Stock Market to-day, reflecting the negative views of U.S. investors about the company's prospects and on the prospects for the Japanese economy in general.

The share lost Y400 in the day's trading, closing at Y2,810. At one point during the day Sony's price was down Y470, Y30 short of the point at which trading would have been automatically suspended under stock exchange rules.

Sony's fall in Tokyo to-day followed a fairly steep decline on Wall Street on Monday where the shares fell from $10⅝ to $9⅜. Two American analysts had downgraded their estimates of Sony's earnings for its 1975 fiscal year resulting in a rush to sell by U.S. investors. However Sony said to-day that its own projections of 1975 earnings had been in line with those of U.S. analysts and *forecasts of a 30 to 40 per* cent. decline in earnings for the year should come as no surprise.

Sony also pointed out to-day that although its share price had fallen steeply it was still well above its recent low point. Sony's share price was around $5 in New York last December before rising to a peak of $13 earlier this summer.

Sony's shares are widely held by U.S. investors and the company's stock price tends to provide a pointer to the thinking of U.S. (and other foreign investors) on the prospects for Japan's economy in general. Expectations have been scaled downwards in the past few weeks in the light of the series of medium- and larged-sized bankruptcy cases. In addition, Sony's own position within the Japanese electrical industry is regarded by some analysts as slightly less favourable, though it remains very strong.

Sony's strong involvement in exports (amounting to around 50 per cent. of its turnover) is something of a *liability* at a time when the Japanese electrical industry is doing better in its home market than abroad. There is also a possibility that Sony may have lost its position as Japan's number two colour TV manufacturer (after Matsushita) to Hitachi or Toshiba, both of which have been making a strong bid for the number two position.

Securities dealers in Tokyo were awaiting to-day to see how European investors would react to Sony's decline following the selling pressure from American investors. In the meantime, Sony announced in Tokyo that its financing for a $15m. plant in Alabama had been awarded double-A rating by Standard and Poor. Sony quoted Standard and Poor as saying that it was the first Japanese company ever to have been awarded this distinction.

The financing for the Alabama plant consists of a $12.5m. private placement of taxable industrial revenue bonds together worth $1.5m. of pollution control bonds and $1m. of industrial revenue bonds. The bonds will be issued by the Industrial *Development* Board of the City of Dothan, Alabama, and will be unconditionally guaranteed by Sony.

Sony's heavy decline... Tokyo market to-day co... with a relatively moder... of 25.68 points by the Do... industrial Average. Th... age now stands at 3,94...

AP-DJ adds: Dai'Ei, a Japanese supermarket operator, said that it ... rowed $US7.5m. from ... Dominion Bank, of Ca... help finance its U.S. sub... capital increase.

The *loan*, which is re... over a five-year period, an interest rate equivale... six-month Eurodollar ... rate plus 1 percentag... officials said.

Dai'Ei U.S.A. Inc., of ... raised its capital to $US... $US1m., officials said. Th... owned U.S. subsidiary ... expand its Honolulu sto... space soon to 11,814 ... metres from the prese... square metres, they said...

Dai'Ei is also co... issuing $10m. of bonds ... officials said. But they ... to give further details on ... jected bond issue.

Swire Pacific expects better second half

HONG KONG, S

SWIRE PACIFIC reports attributable after tax consolidated *profits (unaudited) of* $HK25.6m. ($HK26.9m.) for the first half of 1975, including non-recurring profits.

The Board has declared an interim dividend of 7.5 cents on the "A" shares, and 1.5 cents on "B" shares (both unchanged), payable on October 17.

The company said that it expects that the total dividend distribution for the year will not be less than last year's 22.5 cents on "A" shares and 4.5 cents on "B" shares.

It said that consolidated profit for the second half will be considerably improved. Direct comparison of first half results with last year are not meaningful.

First half results include the appropriate share of pro... the Cathay Pacific Grou... *month*. This follows the new shares in June 1975 to Cathay Pacific Airw... Hong Kong Aircraft En... Company becoming sub...

Meanwhile, Swire I... shows attributable after... solidated profits (unau... $HK20.2 ($HK23.9m.) first half of 1975.

The interim dividend ... shares is 15.5 cents, and ... shares 3.1 cents (b... changed), payable on Oc...

Barring unforeseeable ... *stances the company* ... satisfactory second half ... the total dividend dis... for the year will not be ... last year's 55 and 11 ... "A" and "B" share... tively.

Voest-Alpine suffers setbacks

BY PAUL LENDVAI

VIENNA, S

VOEST-ALPINE, the nationalised steel concern and largest Austrian company, reports a rise of 30 per cent. in group turnover to an all-time peak of Sch.38.1bn. (about £1.0bn.) in 1974. The Board warned, however, that 1975 will be a "difficult" business year, with most sectors already suffering what the report described as substantial setbacks in earnings.

The annual report submitted to the supervisory Board, but *for the first time not presented* at a Press conference, announces a 8 per cent. dividend on the Sch.2.9bn. capital. No dividend was paid for 1973. Operating profits were Sch.1.22bn. after allocation of Sch.1.05bn. to reserves. Net profit was Sch.175m. (Sch.5.9m.).

Exports accounted for 60 per cent. of the Sch.38.1bn. group turnover. Crude steel output was 11 per cent. up to 4.5m. tons and that of rolled products by 12 per cent. to 3.1m. tons. Total *production staff of the* group increased by 5.7 per cent. to 84,300. Investments last year totalled Sch.3.8bn.

The parent company reports a turnover rise of 32 per cent. to 21.6bn. Exports were up by 42 per cent. to Sch.10.5bn., thus accounting for 49 per cent. of the aggregate turnover. Machine-building, industrial engineering and manufacturing branches recorded particularly steep increases in sales.

Since the beginning of the fourth quarter last year the *company* has been hit by the international recession and the downturn in domestic economic activity. Director-General and chairman of the Board, Dr. Koller, told the Vienna newspaper Die Presse that there was no improvement in sight. The newspaper reveals that the company reckons with a loss of Sch.1.5bn. to Sch.2bn. this year.

Meanwhile, capital was increased from Sch.2.9bn. to Sch.3.14bn. Lists opened to-day for a Sch.500m. issue of Voest-Alpine with a coupon of 8.5 per cent. and at an issue price of 97 per cent. Lists will ... between September 8 ...

John Wicks report... Zurich: Steyr-Daimler-P... Austrian vehicle manu... has taken over the commercial-vehicle sales ... Nufarep of Steffisbu... company will be merg... the Zurich sales subsi... Steyr-Daimler-Puch in ... concentrate the Austri... pany's Swiss activities.

*

The Swiss-based gro... quarters of the underw... foundation garments ... Triumph - International, ... on a rise in world ... Sw. Frs.790m. this yea... pared with 1974 turn... Sw.Frs.725m. Net pro... expected to be of at le... year's levels. In 197... 48 per cent. of total sa... made in Federal G... 34 per cent. elsewh... Europe, and 18 per cent. ... European markets. Th... the German share in th... is expected to decline.

Brazil rejects criticisms of foreign company policy

BY SUE BRANFORD

SAO PAULO, Se

SR. SEVERO GOMES, the Minister of Trade and Commerce, has energetically denied that the Brazilian Government is applying incoherent and inconsistent policies towards foreign companies operating in Brazil.

Sr. Gomes was replying to recent *criticisms* that have been made by leading businessmen in Brazil, such as Sr. Antonio Gallotti, the president of Light Servicos de Eletricidade, the Brazilian subsidiary of the Canadian company, Brascan, and *Brazil's second* largest company in the area of electricity distribution. Sr. Gallotti recently commented on the present "atmosphere of perplexity and interrogation" within foreign companies and asked the Government "formally to define the rules of the game and then to apply them with clarity, coherence and uniformity."

Criticisms by other businessmen have pointed to an alleged inconsistency between, on the one hand, the Government's ban on the purchase of the Brazilian refrigerator manufacturing company, Consul, by the Dutch-based Philips multinational and, on the other hand, the decision to concede considerable tax incentives and financial support to the West German company, Krupp, for the industrial equipment factory which it is setting up in Minas Gerais. Government financial bodies have agreed to contribute £4m. to this project, out of a total investment estimated at £9.5m.

In reply to these *criticisms*, Sr. Severo Gomes denied any inconsistency claiming that government policies have to be flexible, taking into account the different characteristics of the various economic sector... the Consul/Philips case, ... the government coul... authorise the sales ... because the production ... frigerators is already ... developed in the country ... hands of Brazilian compa... the case of Krupp, ... "Brazilian industry is st... fragile *in* the area of ... goods—so fragile, indee... the country spent U.S.$... equipment imports in ... *figure that could* well be ... this year." In these ... stances, he added, the ... ment must take ... measures to encourage ... ment production inside Br...

Reynolds seeks Brazil stake

By Sue Branford

SAO PAULO, Sept. 9.

REYNOLDS ALUMINIUM International is negotiating the purchase of a stake in Industria Metalurgica Tergal, a Sao Paulo company which manufactures bumpers for cars and other vehicles. At present, Tergal produces 200,000 chromed iron bumpers annually.

It is planning, through this association to acquire the technology necessary for the production of aluminium bumpers, as Reynolds is considered the world's largest manufacturer of this product. These bumpers will probably be produced with a protective rubber strip and will be mainly destined for the U.S. market.

SELECTED EURODOLLAR BOND PRI...
MID-DAY INDICATIONS

STRAIGHTS	Bid	Offer
Amax 8½pc 1986	99	100½
Ashland 8pc 1987	88	89
Austraswiss 8pc 1987	87	88
BFCE 9pc 1989	98	99
Borregaard 8½pc 1980	91	92
Carrier 8pc 1987	87	88
Conoco 8pc 1986	94	95
Consol. Foods 7¾pc 1991	82	85
Cutler Hammer 8pc 1987	87	88
EIB 9¾pc 1985	99½	100½
Esso 8pc 1986 Nov.	95½	96½
General Cable 8¼pc 1987	86½	87½
General Motors 8¾pc 1986	101	102
GTE 8¾pc 1986	96	97
ICI 7¾pc 1992	77	79
Nat. Grindlays 7½pc 1987	73	75
Pacific Light 8pc 1988	86	87
Prov. of Quebec 7½pc 1988	83	84
Queensland 8½pc 1987	84	85
Quebec Hydro 8½pc 1989	94½	95½
Scanraff 8¼pc 1988	85	86
Shell 8pc 1986	94½	95½
Stand. Oil (Ind.) 8¼pc 1988	97	98
Tenneco 7¾pc 1987	84	85
Transocean 8pc 1986	94	95
TRW 8¾pc 1986	95	96
Utah 8pc 1987	86½	87½
Volvo 9¾pc 1985	99	100
NOTES		
Air France 9¾pc 1982	100	101
Australia Ind. 10½pc 1981	102½	103½
Barclays 7¾pc 1979	94	96
Cie Kali Rhone 10pc 1982	101	102
Du Pont 7¾pc 1975	99	100
Esso 7¾pc 1976	99	100
General Motors 8¾pc 1976	100½	101½
Marubeni 9¾pc 1982	99½	100½
Nippon Fudosan 10½pc 1981	101½	102½
Skandinaviska E. 10½pc '81	102	103
Tenneco 7¾pc 1979	97½	98½
Tokyo, Citrasco 10½pc 1981	101	102

Source: White Weld Securities.

CONVERTIBLES	Bid
American Express 4¼pc '87	81
Ashland 5pc 1988	73
Beatrice Foods 4¼pc 1992	86
Beatrice Foods 4½pc 1992	98
Borden 5pc 1992	83
Broadway Hale 4¾pc 1987	73
Canon Camera 7¼pc 1989	75
Carnation 4pc 1987	72
Chevron 5pc 1988	84
Dart 4¾pc 1987	89
Eastman Kodak 4½pc 1988	105
Economic Labs 4¾pc 1987	71
Fidai 7¼pc 1989	73
Ford 6pc 1986	81
Ford 5pc 1988	76
Fuji 6½pc 1983	100
General Electric 4¼pc 1987	85
Gillette 4¾pc 1987	70
Gould 5pc 1987	79
Halliburton 4¼pc 1987	123
Harris 5pc 1992	63
Hitachi 6¾pc 1984	100
Honeywell 6pc 1986	69
ITT 4½pc 1987	67
Komatsu 7½pc 1990	105
J. Ray McDermott 4¾pc '87	146
Mitsui 8½pc 1990	125
J. P. Morgan 4¾pc 1987	104
Motorola 4¾pc 1983	118
Owens Illinois 4½pc 1987	99
J. C. Penney 4¼pc 1987	77
Pioneer 6¾pc 1989	113
Rand Selection 6½pc 1986	90
Rank 4½pc 1993	77
Revlon 4¾pc 1987	97
Sperry Rand 4¼pc 1987	97
Squibb 4¼pc 1987	73
Toshiba 6¾pc 1990	100
Union Carbide 4¾pc 1982	107
Warner Lambert 4¼pc 1987	86
Warner Lambert 4¾pc 1988	77
Xerox 5pc 1988	78

Source: Kidder Peabody Securities.

This document contains particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information to the public with regard to The Corn Exchange Company Limited ("the Company"). It is not an invitation to any person to subscribe or purchase any securities of the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information given and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

Application has been made to the Council of The Stock Exchange for the Ordinary Shares of the Company to be admitted to the Official List.

هكذا من الأصل

The Corn Exchange Company Limited

(Incorporated originally under the Corn Exchange Act 1872 and subsequently under Part VIII of the Companies Act 1948)

SHARE CAPITAL

Authorised £		*Issued and fully paid* £
299,520	in 2,995,200 Ordinary Shares of 10p each	278,020

INDEBTEDNESS

The Company has an unsecured bank loan and a mortgage which on 29th August, 1975 amounted to £59,000 and £216,840 respectively.

Save as aforesaid, the Company does not have outstanding any loan capital, mortgages, charges or other borrowings or indebtedness in the nature of borrowings, including bank or similar indebtedness and liabilities under acceptances or acceptance credits, hire purchase commitments or, save in the ordinary course of business, guarantees or other material contingent liabilities.

DIRECTORS

Frank Leonard Winter *(Chairman)*,
17 Newnham House, High Road, Loughton, Essex.

Stanley George Jones, F.C.I.S. *(Secretary)*,
8 Ormonde Gardens, Leigh-on-Sea, Essex.

Kenneth Robert Cheeseman,
Mill Cottage, Four Elms, Edenbridge, Kent.

David William Frame, F.C.A.,
Green Glades, Frensham Vale, Lower Bourne, Farnham, Surrey.

Reginald Edwin Goodfellow, M.B.E.,
Postern Gate Farm, South Godstone, Surrey.

James Campbell Stephen Mackie, M.A.,
East Highlands, Three Gates Lane, Haslemere, Surrey.

Anthony James Sumption, D.S.C.,
43 Lowndes Square, London SW1.

Arthur James Powys Woodhouse,
Mitchell House, Mersham, Ashford, Kent.

SECRETARY AND REGISTERED OFFICE
Stanley George Jones, F.C.I.S.,
The Corn Exchange Building, 52/57 Mark Lane, London EC3R 7QB.

BANKERS TO THE INTRODUCTION
Kleinwort, Benson Limited,
20 Fenchurch Street, London EC3P 3DB.

BROKERS
Keith, Bayley, Rogers & Co.,
12 & 14 Lackington Street, London EC2M 2SY
and The Stock Exchange.

AUDITORS AND REPORTING ACCOUNTANTS
Dearden & Co. *(Chartered Accountants)*,
5 Giltspur Street, London EC1A 9PD.

SOLICITORS
Lawrance, Messer & Co.,
16 Coleman Street, London EC2R 5AB.

VALUERS
Richard Ellis *(Chartered Surveyors)*,
64 Cornhill, London EC3V 3PS.

BANKERS
National Westminster Bank Limited,
52 Mark Lane, London EC3R 7PA.

HISTORY

The first Corn Exchange was built in 1781 in Mark Lane in the City of London to house the large number of corn factors which had grown up since the destruction of the old city granaries by the Great Fire of London in 1666. It has remained on the same site until the present day. From 1781 until 1872 the Corn Exchange was managed by a committee of members. In 1872 it was incorporated under a special Act of Parliament and a number of Acts have been promulgated since that date, the latest being the Corn Exchange Act 1975. In 1974 the Company was registered under Part VIII of the Companies Act 1948 and obtained limited liability status.

In 1828 as a result of complaints and agitation by a section of members, a group of traders built a rival Exchange called the London Corn Exchange, adjoining the original building. Dealers, merchants and bankers then found it necessary to become members of both Exchanges. During their existence as separate entities for over a century, the two Exchanges were administered as separate companies until the advent of the internal combustion engine impinged upon the oat and fodder trade. This prompted the two companies to merge and in 1929 The Corn Exchange Company acquired the whole of the undertaking of the London Corn Exchange Company by special Act of Parliament.

The Corn Exchange building was enlarged on a number of occasions during the nineteenth century, culminating in the spacious Exchange erected in 1880. This building was destroyed by enemy action in 1941, following which the site was redeveloped between 1953 and 1957. Further major alterations were undertaken in 1973 to house the soft Commodity Markets, which moved from Plantation House, Mincing Lane, London EC3 in 1973, and to provide enlarged club and conference facilities.

BUSINESS

Although traditionally the primary function of the Company has been and is to provide a Corn Exchange, this is no longer its principal source of income. The Company owns valuable freehold property extending between Mark Lane and Seething Lane, London EC3. This comprises the Market complex and three office blocks adjoining it and amounting in total to some 100,000 square feet of which 82,000 square feet represents office accommodation. Most of this is let to outside tenants and accounts for the major part of the Company's revenue. The Company acts as manager in respect of these lettings.

Nevertheless, the provision of a Corn Exchange "for the buying and selling of corn, grain, seeds, malt, flour and other like produce" remains an important activity of the Company. Following its reconstruction in 1973, the Corn Exchange building now houses the soft Commodity Markets, namely:—

The Coffee Terminal Market;
The G.A.F.T.A. Soya Bean Meal Futures Market;
The London Cocoa Terminal Market;
The London Rubber Terminal Market;
The London Vegetable Oil Market;
The London Wool Terminal Market;
The United Terminal Sugar Markets;

in a modern Market complex and has thus established itself as a centre of considerable importance in international trade. The Company is responsible for providing facilities for all these markets as well as for the following organisations:—

The Federation of Oils Seeds and Fats Associations Limited;
The London Jute Association;
The London Shellac Trade Association;
The General Produce Brokers Association of London;
The London Produce Clearing House Limited;

and is responsible for the general management and administration of the Corn Exchange itself.

The Company also manages the Subscription Room Club, which is a club offering catering and lounge facilities situated within the Corn Exchange site and open, *inter alia*, to members of the Corn Exchange and Commodity Markets and to tenants of the Company.

MANAGEMENT AND EMPLOYEES

Mr. F. L. Winter, who is 73 years of age, was appointed a Director of the Company in 1948 and has been Chairman since 1968. He is a non-executive Director.

Mr. S. G. Jones, who is 61 years of age, was appointed a Director of the Company in 1972. He joined the Company as Assistant Secretary in 1950 and was appointed Secretary in 1952 and General Manager in 1972.

Mr. K. R. Cheeseman, who is 54 years of age, was appointed a Director of the Company in 1968 and is a Solicitor by profession. He is a non-executive Director.

Mr. D. W. Frame, who is 41 years of age, was appointed a Director of the Company in 1975 and is also Chairman of Usborne & Son (London) Limited, Grain Merchants. He is a non-executive Director.

Mr. R. E. Goodfellow, who is 73 years of age, was appointed a Director of the Company in 1945 and was Deputy Chairman from 1968 to 1974. He is a non-executive Director.

Mr. J. C. S. Mackie, who is 48 years of age, was appointed a Director of the Company in 1974 and is the Director General of The Grain & Feed Trade Association Limited. He is a non-executive Director.

Mr. A. J. Sumption, who is 56 years of age, was appointed a Director of the Company in 1967 and is a Barrister by profession. He is a non-executive Director.

Mr. A. J. P. Woodhouse, who is 41 years of age, was appointed a Director of the Company in 1974 and is also the Vice-Chairman of The London Commodity Exchange Company Limited. He is a non-executive Director.

The Company has ten employees, comprising the Secretary and General Manager and his staff, responsible for the day-to-day administration of the Company, and the House Manager and his staff, responsible for the administration of the premises and the supervision of the markets.

PROPERTY VALUATION

The following is a copy of a valuation by Richard Ellis *(Chartered Surveyors)*, 64 Cornhill, London EC3V 3PS of the property belonging to the Company, addressed to the Directors of the Company and Kleinwort, Benson Limited:—

21st August, 1975.

Gentlemen,

We have inspected and carefully considered the property, short particulars of which are set out below. On the basis of our inspection, information as to tenure, lettings, Town Planning consents and the like, which you have given us, the figure below represents our opinion as to the open market value of the freehold interest as at 31st July, 1975.

Yours faithfully,
RICHARD ELLIS,
Chartered Surveyors.

Property	*Description/Tenure*	*Terms of Tenants Leases or Underleases*	*Est. Net Annual Current Rental Before Tax*	*Present Capital Value in Existing State*
The Corn Exchange, 52/57 Mark Lane, London EC3R 7QB.	Three separate freehold buildings running through from Mark Lane to Seething Lane and linking at ground floor only. Built in mid 19th century, 1938, and 1957 with extensive alterations to the Commodity Exchange Section in 1973. Basement, ground and up to eight floors over. Commodity Exchange 18,000 square feet, offices 82,000 square feet, restaurants and storage 32,000 square feet.	36 leases on internal repairing terms, 31 of which have reviews prior to 1980. Five further leases under current negotiation. In addition 385 square feet vacant and 18,500 square feet occupied by The Corn Exchange Company Limited.	£500,000	£7,000,000

WORKING CAPITAL

The Directors are of the opinion that, having regard to the bank overdraft facilities and cash resources available, the Company has sufficient working capital for its present requirements.

PROFITS, PROSPECTS AND DIVIDENDS

Past Profits

There has been a progressive increase in the Company's profits before taxation over the last five years from approximately £65,000 for the year ended 31st December, 1970 to approximately £217,000 for the year ended 31st December, 1974. Rental revenue from the letting of office premises was the main contributor to this increase and, partly as a result of its property modernisation and maintenance programme, the Company was able to increase total rents from approximately £85,000 in 1970 to approximately £296,000 in 1974.

Current Profits and Dividends

The Company's profitability has withstood the effects of the deteriorating economic conditions in the United Kingdom. All available office accommodation is at present fully let to tenants of good standing and with the decontrol of business rents, which the Department of the Environment announced in December, 1974, the Company has achieved a substantial increase in rental revenue during 1975. The Directors are of the opinion that, in the absence of unforeseen circumstances, the Company's profit before taxation for the year ending 31st December, 1975 will be of the order of £240,000. This forecast is based on the assumptions set out below under the heading General Information.

On the basis of the above forecast and on the assumption that there are no changes in the relevant rates of taxation or in government restrictions on dividends, the Directors anticipate that they will be able to recommend the payment of a final dividend of 0.8125p per share in respect of the year ending 31st December, 1975 which, together with the interim dividend of 0.8125p per share already paid, would amount to a total dividend of 1.625p per share for that year. It is expected that the final dividend will be paid on 3rd April, 1976. Total dividends, together with the associated tax credit at the rate now applicable, are equivalent to 2.5p per share (1974—2.3034p per share).

Assuming a profit before taxation of £240,000, the deduction for corporation tax at a rate of 52 per cent. (but after relief of £30,000 in respect of capital allowances on new capital equipment) would be approximately £90,000, leaving a profit after taxation of approximately £150,000. This is equivalent to around 5.4p per share. The cost of the dividend for the year at the rate assumed above would be approximately £46,000.

Prospects

The Directors consider that, in the light of current economic conditions, it would be imprudent to forecast the Company's profit for the year ending 31st December, 1976. However, having regard to the quality of the Company's lettings and the low level of borrowing which it has incurred, they are confident that the Company is well placed to maintain its position in the foreseeable future.

ACCOUNTANTS' REPORT

The following is a copy of the Report by Dearden & Co. (Chartered Accountants) addressed to the Directors of the Company and Kleinwort, Benson Limited:—

9th September, 1975.

Gentlemen,

We have examined the audited accounts of The Corn Exchange Company Limited ("the Company") for the five years ended 31st December, 1974 and for the six month period to 30th June, 1975.

We report as follows:

A. ACCOUNTING POLICIES

The following are the more important accounting policies adopted in arriving at the financial information set out in this report.

1. **Depreciation**
No depreciation is charged on freehold buildings nor on the equipment, fixtures and fittings included therein.
2. **Income**
Market subscriptions comprise the amounts received in the period.
3. **Professional fees**
Professional fees in respect of the periodic valuation of the Company's freehold property are charged to the profit and loss account as incurred.
4. **Deferred taxation**
Provision has been made for taxation deferred by capital allowances claimed on fixed assets which are not depreciated, and for taxation that would be payable under current legislation in the event of the sale of the freehold property at the amount at which it is included in the balance sheet.

B. INCOME AND PROFITS

In our opinion the summary set out below, read in conjunction with the notes thereto and the statement of Accounting Policies, gives a true and fair view of the profits of the Company for the five years ended 31st December, 1974 and the six month period to 30th June, 1975.

	Years ended 31st December					*Six months to 30th June,*
	1970 £000's	*1971 £000's*	*1972 £000's*	*1973 £000's*	*1974 £000's*	*1975 £000's*
INCOME						
Rents receivable	85	166	254	282	296	170
Market subscriptions	27	24	17	15	20	9
Interest receivable	2	1	—	—	—	—
	114	191	271	297	316	179
EXPENDITURE						
Exceptional items (Note 2)	—	—	—	—	11	(12)
Repairs and maintenance	3	21	13	10	10	16
Rates, services and management expenses	33	41	57	71	50	35
Mortgage and bank interest payable	13	13	17	28	28	11
	49	75	87	112	99	50
PROFIT BEFORE TAXATION	65	116	184	185	217	129
Corporation tax based on profit for the period	26	46	79	83	116	70
PROFIT AFTER TAXATION—ATTRIBUTABLE TO SHAREHOLDERS	39	70	105	102	101	59
Dividends paid or proposed	(38)	(49)	(44)	(40)	(43)	(23)
Transfer to mortgage redemption account	(3)	(3)	(3)	(3)	(3)	(1)
RETAINED PROFIT (LOSS)	(2)	18	58	59	55	35
Earnings per share based on 2,780,200 Ordinary Shares of 10p each	1.4p	2.5p	3.8p	3.7p	3.6p	2.1p

NOTES:
1. The above figures are based on the audited accounts of the Company after making such adjustments as we consider appropriate.
2. Exceptional items comprise:

	1974 £000's	*1975 £000's*
Professional fees incurred in connection with the Corn Exchange Act 1975	11	5
Overprovision in respect of rates and professional fees in earlier years	—	(17)
	11	(12)

C. BALANCE SHEETS

In our opinion the balance sheets set out below, read in conjunction with the notes thereto and the statement of Accounting Policies, give a true and fair view of the state of affairs of the Company at 30th June, 1975 and of the state of affairs of the Company at each year end.

Balance Sheet as at 30th June, 1975

	Notes	*£000's*	*£000's*
FIXED ASSETS			
Freehold property	2		7,000
CURRENT ASSETS			
Debtors		21	
Bank and Cash		3	
		24	
CURRENT LIABILITIES			
Rents in advance		38	
Sundry creditors		70	
Bank loan		75	
Mortgage loan	3	3	
Corporation tax		81	
Proposed dividend		23	
		294	
NET CURRENT LIABILITIES			270
			6,730
DEFERRED LIABILITIES			
Mortgage loan	3	215	
Corporation tax	4	1,276	
			1,491
NET TANGIBLE ASSETS			5,239
SHARE CAPITAL AND RESERVES			
Authorised—299,520 £1 New Ordinary Shares	5		300
Issued and fully paid—278,020 £1 New Ordinary Shares			278
Capital reserve	6		[illegible]
Mortgage redemption account			59
Profit and loss account			301
SHAREHOLDERS' FUNDS			5,239

NOTES:
1. The above figures are based on the audited accounts of the Company after making such adjustments as we consider appropriate.
2. The Company's freehold property was revalued at an open market value of £7,000,000 as at 31st July, 1975 by Richard Ellis (Chartered Surveyors) and this value has been used in the accounts.
3. The mortgage loan of £218,230 is secured on part of the freehold property and is repayable by instalments of £2,780 per annum until 1986 when the balance remaining of £156,260 is due. Interest is payable at 5½% per annum.
4. Deferred taxation comprises:—

	£000's
Corporation tax payable 1st January, 1977	56
Corporation tax deferred by capital allowances	21
Corporation tax contingent on the sale of the freehold property at the revalued amount	[illegible]
	1,276

5. On 1st July, 1975, each of the issued £1 New Ordinary Shares was sub-divided into 10 Ordinary Shares of 10p each.
6. The capital reserve comprises principally the net unrealised surplus arising on the revaluation of the freehold property.

Summary of Balance Sheets as at 31st December

	1969 £000's	*1970 £000's*	*1971 £000's*	*1972 £000's*	*1973 £000's*	*1974 £000's*
FIXED ASSETS						
Freehold property (Note 2)	2,712	2,746	2,807	4,000	18,000	9,200
CURRENT ASSETS						
Debtors	5	16	8	6	10	17
Bank and short term deposits	31	22	21	5	2	3
Quoted investments	10	10	—	—	—	—
	46	48	29	11	12	20
CURRENT LIABILITIES						
Rents in advance	10	15	16	18	18	21
Sundry creditors	15	49	48	35	96	94
Bank loan	—	—	—	94	110	79
Mortgage loan	2	2	2	3	3	3
Corporation tax	27	27	28	46	58	67
Proposed dividend	28	[illegible]	[illegible]	24	24	23
	83	122	128	205	322	297
NET CURRENT LIABILITIES	37	74	99	194	310	277
	2,675	2,672	2,714	3,806	17,690	8,923
DEFERRED LIABILITIES						
Mortgage loan	230	227	225	222	220	217
Corporation tax	467	526	628	797	3,488	1,903
	697	753	853	1,019	3,708	2,120
NET TANGIBLE ASSETS	1,978	1,919	1,861	2,787	13,982	6,803
SHARE CAPITAL AND RESERVES						
Issued and fully paid	278	278	278	278	278	278
Capital reserve	1,572	1,512	1,433	2,298	13,431	6,195
Mortgage redemption account	44	47	50	53	56	58
Profit and loss account	84	82	100	158	217	272
SHAREHOLDERS' FUNDS	1,978	1,919	1,861	2,787	13,982	6,803

NOTES:
1. The above figures are based on the audited accounts of the Company after making such adjustments as we consider appropriate.
2. The freehold property is stated at the valuation at 1st January, 1969 plus subsequent additions at cost for 1969, 1970, 1971 and 1972. The property was revalued at 31st December, 1973 and 1974 and has been included in the balance sheets at those values.

Yours faithfully,
DEARDEN & CO.,
Chartered Accountants.

GENERAL INFORMATION

Capital history

On its incorporation with limited liability under Part VIII of the Companies Act 1948 on 28th November, 1974, the authorised share capital of the Company was 299,520 New Ordinary Shares of £1 each, of which 278,020 had been issued. By the Corn Exchange Act 1975, on 1st July, 1975, each New Ordinary Share of £1 was sub-divided into ten Ordinary Shares of 10p.

Information regarding the profit forecast

The principal assumptions upon which the Directors have based their forecast of the profit of the Company for the year ending 31st December, 1975 are:—

1. That rental revenue currently being received will not be adversely affected as a result of any government measures or defaults on the part of tenants.
2. That repairs and refurbishments, which are being carried out in accordance with the Directors' programme for 1975, will not exceed the planned cost thereof.

The forecast is stated after crediting £17,000 in respect of overprovisions of rates and professional fees for earlier years and before charging the expenses of listing.

In connection with the forecast, the Directors of the Company have received letters from Dearden & Co., the Auditors and Reporting Accountants, and from Kleinwort, Benson Limited, copies of which are set out below:—

The Directors,
The Corn Exchange Company Limited,
52/57 Mark Lane,
London EC3R 7QB.

9th September, 1975

Gentlemen,

We have reviewed the accounting bases and calculations for the profit forecast of The Corn Exchange Company Limited, for which the Directors are solely responsible, for the year ending 31st December, 1975, as set out in the document dated 9th September, 1975.

In our opinion the forecast, so far as the accounting bases and calculations are concerned, has been properly compiled on the footing of the assumptions made by the Board as set out in the document referred to above and is presented on a basis consistent with the accounting practices normally adopted by the Company.

Yours faithfully,
DEARDEN & CO.,
Chartered Accountants.

The Directors,
The Corn Exchange Company Limited,
52/57 Mark Lane,
London EC3R 7QB.

9th September, 1975

Dear Sirs,

We refer to the document dated 9th September, 1975 which contains a forecast, for which the Directors are solely responsible, of the profit of your Company for the year ending 31st December, 1975.

Having regard to the assumptions made by you and to the accounting bases and calculations reviewed by Dearden & Co., we consider that the forecast has been made by you after due and careful consideration.

Yours faithfully,
For KLEINWORT, BENSON LIMITED,
W. H. N. WILKINSON,
Director.

Articles of Association

By virtue of the Corn Exchange Act 1975, the Articles of Association contained in the Second Schedule to such Act were prescribed as the initial Articles of Association of the Company. These contain (*inter alia*) the provisions summarised below:—

(a) Voting and other rights

Subject to any rights, privileges, restrictions or conditions for the time being attached to any class or classes of shares, on a show of hands every member present in person shall have one vote, and on a poll every member shall have one vote for each share of which he is the holder.

(b) Directors

(1) The share qualification for a Director may from time to time be fixed by resolution of the Company in General Meeting, and unless and until so fixed no such share qualification shall be required. Every Director, whether or not he is a member of the Company, shall be entitled to attend and speak at every General Meeting of the Company.

(2) The Directors shall be paid out of the funds of the Company, in respect of their services as Directors, remuneration at the rate of £9,000 per annum, or at such higher rate per annum as may from time to time be determined by resolution of the Company in General Meeting, and such remuneration shall be divided amongst the Directors as they shall agree, or, failing agreement, equally. The Directors shall also be entitled to be repaid out of the funds of the Company all travelling, hotel and other expenses properly incurred by them in and about the business of the Company, including their expenses of travelling to and from General Meetings, meetings of the Directors and meetings of committees of the Directors.

(3) Subject to certain limited exceptions, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interest in shares or debentures or other securities of or otherwise in or through the Company. A Director shall not be counted in the quorum present at any meeting of the Directors in relation to any resolution on which he is debarred from voting.

(4) A Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine.

(5) The Articles of Association contain no provision restricting the application of Section 185 of the Companies Act 1948 (retirement of directors under age limit) to the Company.

(c) Borrowings

The Directors shall restrict the borrowings of the Company so as to secure (so far as by such restriction and exercise they can do so) that the aggregate principal amount for the time being remaining outstanding in respect of borrowed moneys of the Company and its subsidiaries (if any) shall not at any time without the previous sanction of a resolution of the Company in General Meeting exceed an amount equal to twice the adjusted capital and reserves.

Directors' interests in the share capital of the Company

The interests (including family interests as defined for the purposes of the regulations of The Stock Exchange), all of which are beneficial, of the Directors of the Company in its share capital are as follows.—

	Ordinary Shares of 10p each
K. R. Cheeseman	7,000
D. W. Frame	500
R. E. Goodfellow	15,000
S. G. Jones	7,000
J. C. S. Mackie	4,000
A. J. Sumption	[illegible]
F. L. Winter	40,800
A. J. P. Woodhouse	1,000

General

(1) No material issue of Ordinary Shares, other than to shareholders pro rata to their existing holdings, will be made within one year of the admission of the Ordinary Shares to the Official List without the prior approval of the Company in General Meeting, nor will any issue of Ordinary Shares be made which would effectively alter control of the Company or the nature of the business of the Company without the prior approval of the Company in General Meeting.

(2) Save as disclosed herein (i) no capital of the Company has been issued for cash or other consideration during the two years preceding the date of this document nor is any proposed to be so issued, (ii) no unissued capital of the Company is under option or agreed conditionally or unconditionally to be put under option, (iii) no commissions, discounts, brokerages or other special terms have been granted in the two years preceding the date of this document in connection with the issue or sale of any capital of the Company, (iv) no Director is interested in a contract of significance (as defined for the purposes of the regulations of The Stock Exchange) with the Company and (v) no Director has within the two years preceding the date of this document had a direct or indirect interest in assets which have been or are proposed to be acquired or disposed of by or leased to the Company.

(3) The Company has not during the two years preceding the date of this document entered into any material contract, not being a contract entered into in the ordinary course of business.

(4) The only Director of the Company having a service agreement with the Company is Mr. S. G. Jones who has an agreement with four years unexpired at an annual remuneration of £6,002. The emoluments of the present Directors of the Company for the year ended 31st December, 1974 amounted in aggregate to £12,671. It is anticipated that the aggregate amount of the emoluments of the Directors will be £21,361 for the year ending 31st December, 1975.

(5) So far as the Directors are aware there is no litigation or any claim of material importance pending or threatened against the Company.

(6) The Company will pay all expenses of and incidental to the listing which are estimated to amount to £30,000.

(7) Dearden & Co. have given and have not withdrawn their written consent to the issue of this document with the inclusion therein of their letter and report and references thereto in the form and context in which they appear.

(8) Richard Ellis have given and have not withdrawn their written consent to the issue of this document with the inclusion therein of their valuation and references thereto in the form and context in which they appear.

(9) Kleinwort, Benson Limited have given and have not withdrawn their written consent to the issue of this document with the inclusion therein of their letter in the form and context in which it appears.

Documents available for inspection

Copies of the following documents may be inspected at the offices of Lawrance, Messer & Co., 16 Coleman Street, London EC2R 5AB during usual business hours on any weekday, Saturdays excepted, for a period of fourteen days following the date of publication of this document:—

(i) the Corn Exchange Act 1975 including the Articles of Association of the Company;
(ii) the service agreement referred to in paragraph (4) above;
(iii) the audited accounts of the Company for the two financial years ended 31st December, 1974;
(iv) the letter and report of Dearden & Co., their statement of adjustments and their written consent;
(v) the valuation by Richard Ellis and their written consent; and
(vi) the written consent of Kleinwort, Benson Limited.

Further copies of this document may be obtained from:—

KLEINWORT, BENSON LIMITED, New Issues—Registration Department, 34 Lime Street, London EC3M 7LX.
KEITH, BAYLEY, ROGERS & CO., 12 & 14 Lackington Street, London EC2M 2SY.

Dated 9th September, 1975.

Every Rolex Oyster Chronometer has a case of gold or platinum or finest stainless steel.

Outside, it's smooth and flawless and incredibly strong, with a dial that's made to fit its function.

Inside is a Rolex Perpetual movement, painstakingly assembled by hand with such a high degree of craftsmanship that it takes over a year to make each one.

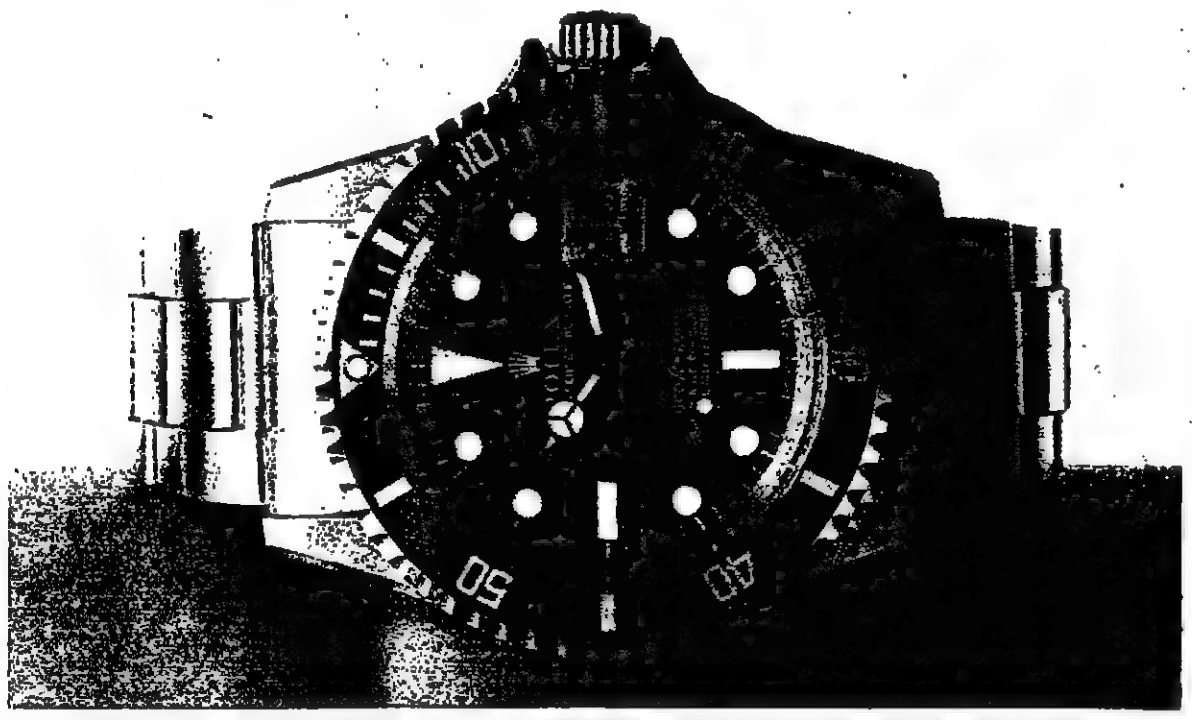
Although the Rolex craftsmen produce only a fraction of the annual output of Swiss watches, Rolex have won nearly half of the Chronometer Certificates ever awarded.

Here you can see some of the Rolex Oyster Chronometers to help you to decide which one is made for you. You will make your decision by judging the outside of each Oyster.

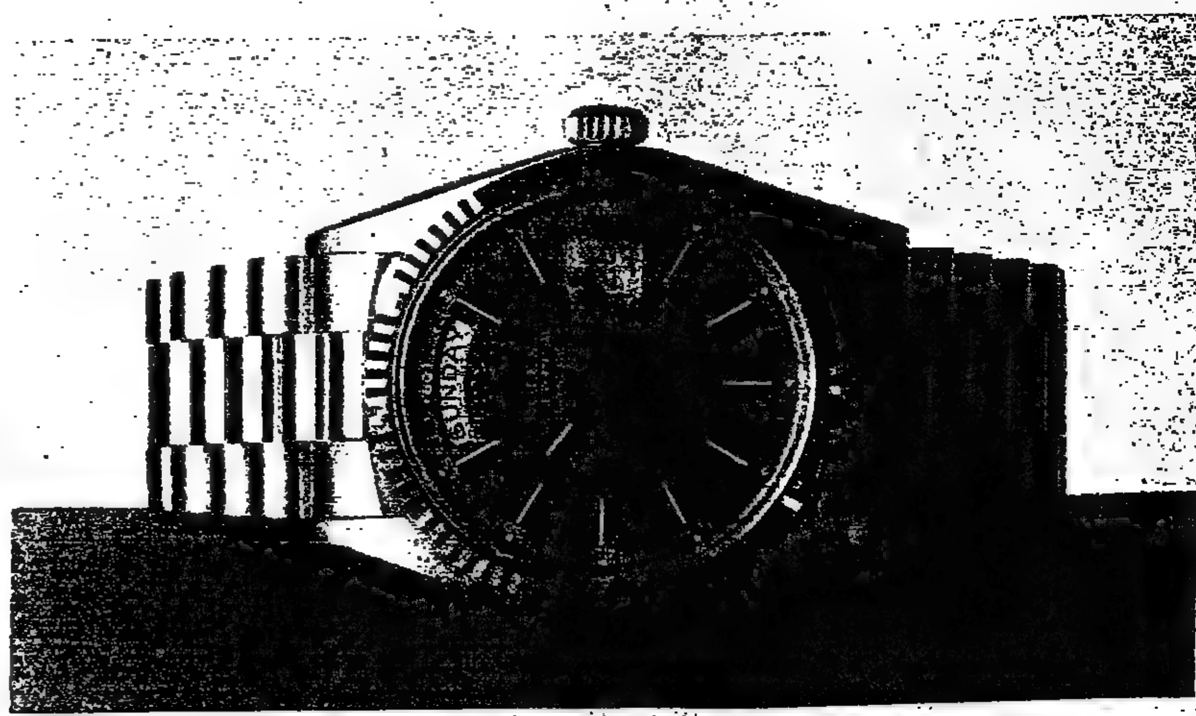
Inside you will know it's a Rolex at heart.

The Rolex GMT-Master. Designed for pilots, navigators or world travellers. Chronometer movement, with date, and guaranteed waterproof to a depth of 165 feet.

Revolving outer bezel and 24-hour hand allow you to tell the time simultaneously in any two time zones. Available in 18ct. gold £1800 or stainless steel £224.



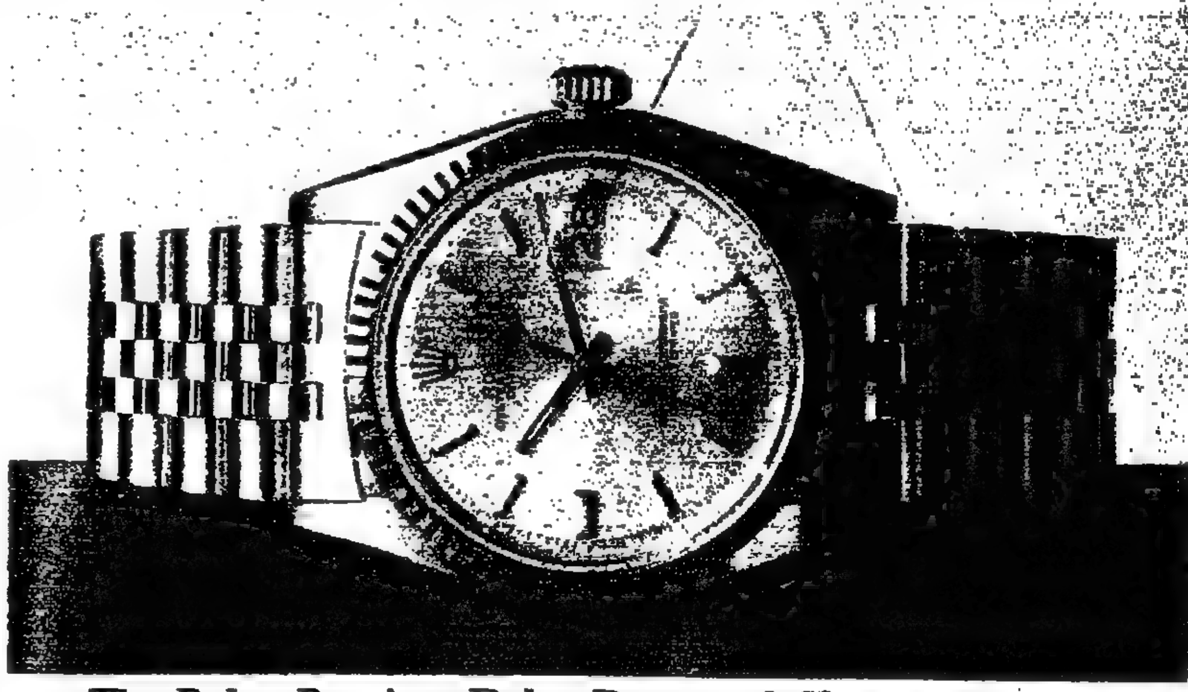
The Rolex Submariner. All Rolex Oysters are tough. This is the toughest. Guaranteed waterproof to 660 feet. Time elapsed bezel fitted to specially strengthened Oyster case. Rotor self-winding Perpetual Chronometer movement. Available in 18ct. gold £2055 or stainless steel £230.



The Rolex Day-Date. Worn by many of the worlds most famous men. Superb Perpetual Chronometer movement. Tells the day and the date.

Available only in 18ct. gold or platinum, the most sumptuous Oyster made by Rolex. In gold £1675.

The Rolex Lady-Datejust. Feminine and fine but with a secret strength. Rotor self-winding Perpetual movement, waterproof to 165 feet, in fact in every respect the same as the Oysters made for men, only smaller. In 18ct. gold £958 or stainless steel £202.



The Rolex Datejust. Rolex Perpetual Chronometer movement. The date changes automatically at midnight. Guaranteed waterproof to 165 feet. Available in 18ct. gold £1590 or stainless steel £206. The most famous Rolex of all.

ROLEX
of Geneva

Recommended retail prices. If you would like to write to us for an Oyster catalogue, we will tell you the name and address of your nearest official Rolex jeweller.
Rolex, 1 Green Street, Mayfair, London W1Y 4JY.

Inside every Oyster there's a Rolex.

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هكذا من الأصل

Banking figures

(as table 8 in Bank of England Quarterly Bulletin)

ELIGIBLE LIABILITIES, RESERVE ASSETS, RESERVE RATIOS, AND SPECIAL DEPOSITS

—Banks

	August 20, 1975 £m.	Change on month £m.
Eligible liabilities		
U.K. banks		
London clearing banks	18,772	−118
Scottish clearing banks	1,927	+ 10
Northern Ireland banks	454	+ 15
Accepting houses	1,332	− 55
Other	5,988	+ 21
Overseas banks		
American banks	2,621	− 47
Japanese	195	− 5
Other overseas banks	1,368	+ 23
Consortium banks	188	− 15
Total eligible liabilities*	33,049	−163
Reserve assets		
U.K. banks		
London clearing banks	2,549	− 30
Scottish clearing banks	279	+ 16
Northern Ireland banks	70	+ 5
Accepting houses	226	− 32
Other	1,173	+ 44
Overseas banks		
American banks	371	− 3
Japanese	28	− 2
Other overseas banks	266	+ 8
Consortium banks	38	− 5
Total reserve assets	4,993	− 3
Ratios %		
U.K. banks		
London clearing banks	13.8	− 0.1
Scottish clearing banks	14.5	+ 0.8
Northern Ireland banks	15.5	+ 0.7
Accepting houses	16.5	− 1.7
Other	19.6	+ 0.7
Overseas banks		
American banks	14.2	—
Japanese	14.2	− 0.4
Other overseas banks	17.0	+ 0.3
Consortium banks	20.0	− 0.9
Combined ratio	15.1	+ 0.1
	£m.	£m.
Constitution of total reserve assets		
Balances with Bank of England	227	− 23
Money at call — Discount Market	1,723	−223
Money at call — Other	[illegible]	− 28
Tax reserve certificates	—	—
U.K. North. Ireland Treasury Bills	[illegible]	+158
Other bills — Local Authority	151	− 25
Other bills — Commercial	477	− 24
British Government stocks with one year or less to final maturity	[illegible]	+162
Other		—
Total reserve assets	[illegible]	− 3
	£m.	£m.
B.—Government stock holdings with more than one year but less than 18 months to final maturity amounted to	[illegible]	−188
C.—Finance houses		
Eligible liabilities	[illegible]	− 3
Reserve assets	[illegible]	—
Ratio (%)	[illegible]	+ 0.2

Special deposits at August 20 were £978m. (up £[illegible]m.) for banks and £7m. (unchanged) for finance houses.

* Interest-bearing eligible liabilities were £22,7[illegible]m. (down 299m.).

APPOINTMENTS

Petrocon group executive changes

The PETROCON GROUP has announced executive changes within its subsidiaries; Mr. Tony Diamond, previously chief executive of Offshore Drilling Supplies, becomes managing director, a position which has been relinquished by Mr. Ralph Messent who, as a Petrocon Group Board director, will now have responsibility for expanding the group's services to oil exploration and production companies in the North Sea and the Far East. Mr. Messent remains a director of ODS. Mr. Geoffrey Godfrey, who will be 74 this year and who has been managing director of Ashford Controls for a year following the death of the previous managing director in 1974, has become non-executive chairman, and Mr. Benjamin Godfrey has been appointed managing director. Previously Mr. Benjamin Godfrey was production director of Ashford Controls. Mr. Alfred C. Jones has been appointed managing director of CONTINENTAL COMBUSTIONS.

*

Mr. R. J. M. Kilroy has been appointed planning manager of EQUITY AND LAW LIFE ASSURANCE SOCIETY. He was formerly manager of the society's branch in Germany, where he will be succeeded as manager by Mr. J. S. Hawken.

*

NATIONAL WESTMINSTER BANK is dividing its Inner London region into two new regions—City and West End. Mr. S. C. Prior, regional executive director for Inner London, will retire on October 31, but meanwhile will be responsible for the planning and co-ordination in the new structure. Mr. C. D. Letson and Mr. E. D. Morton, assistant regional directors, Inner London region, will become regional executive director and assistant regional director respectively in the new City region. Mr. W. A. Young, assistant regional director, Outer London region, and Mr. T. P. Frost, senior regional manager, Americas region of the international banking division, have been appointed regional executive director and assistant regional director respectively of the West End region.

*

Mr. I. L. Davies is to be director of the ADMIRALTY UNDERWATER WEAPONS ESTABLISHMENT, Portland, in succession to Dr. G. L. Hutchison, who is retiring from the public service; Mr. H. W. Pout to be deputy controller air systems D in succession to Mr. Davies; Mr. J. Alvey to be director of the Admiralty Surface Weapons Establishment, Cosham, Portsmouth, in succession to Mr. C. P. Fogg, who is retiring from the public service. His appointment takes effect from January 1, 1976.

*

Mr. John McGregor has been appointed senior local director at BARCLAYS BANK'S Cardiff local head office.

*

BERNARD WARDLE AND CO. has appointed Mr. Paul Garrard group export manager—a newly created position. Mr. Garrard joined Bernard Wardle (Everflex) one of the group subsidiaries, 11 years ago as export sales manager.

*

Mr. Heinrich Kabel, joint managing director of Paul Hellermann GmbH, a West German subsidiary of Bowthorpe Holdings, has been appointed to the Board of the group's main U.K. operating subsidiary, BOWTHORPE-HELLERMANN. Mr. Kabel has become director of engineering, while retaining his existing post with Paul Hellermann.

*

Mr. David McBride, executive director of the DIRECT MAIL PRODUCERS' ASSOCIATION, intends to retire from that post, and the DMPA is actively seeking a replacement.

*

Mr. Philip Richards, previously marketing director of the consumer division, has been appointed development director for BOWATER-SCOTT. He will assume responsibility for the textile replacement division at Walthamstow, together with the Croydon foam plant and will continue to oversee internally developed new market areas.

Councils call for home loan funds

IN A MOVE to help those at the bottom of the home ownership ladder, the Association of District Councils and Association of Metropolitan Authorities said yesterday that building societies should allocate further money for "socially desirable cases" recommended by councils.

The schemeis being put to the Building Societies' Association with a suggestion that councils could guarantee such loans. This follows a Government cutback in council home loans with the result that half of the councils have exhauhted their 1975 allocations.

HOME CONTRACTS

£3m. North Sea orders for Redpath

REDPATH DORMAN LONG (NORTH SEA) has been awarded two contracts, together worth more than £3m. for the construction of oil platform deck structures. Phillips Petroleum Company, Norway, has ordered a modular support structure for the Edda Field in the Norwegian sector of the North Sea. About 1,600 tons of steel will be fabricated, assembled and loaded-out in sections on to a barge from the quay of RDL (North Sea) at Methil, Fife, next summer.

Occidental of Scotland, Inc. has ordered a deck structure for its Claymore field platform "A" in the U.K. sector of the North Sea. About 900 tons of steel will be fabricated, assembled and loaded-out in one section on to a barge from Methil works next spring.

*

RANSOMES AND RAPIER, of Ipswich, a subsidiary of the Central and Sheerwood Trust, has received an order worth more than £1.8m. from Richards and Wallington Industries for NCK-Rapier crawler cranes, 40-ton (Andes C41B), 60-ton (Ajax C60) and 80-ton (1405C).

*

FPA FINNEGAN, the Sheffield-based main subsidiary of the FPA Construction Group, has been awarded a £1m.-plus contract by the Trent Regional Health Authority. The contract is for the construction of a 56-bed geriatric unit with rehabilitation facilities and an out-patients' department at Nether Edge Hospital, Sheffield.

*

A contract worth approximately £100,000 has been placed with ADAMSON AND HATCHETT by Africa Container Line for 120 ramp-ended half-height ISO containers.

London Clearing Banks' balances

at August 20, 1975

THE TABLES below provide the first monthly indication of the trends of bank lending and deposits, ahead of the more comprehensive banking and money supply figures published later by the Bank of England. Tables 1, 2 and 3 are prepared by the London clearing banks. Tables 1 and 2 cover the business of their offices and their subsidiaries (excluding Scottish and Northern Ireland banks) in England and Wales, the Channel Islands and the Isle of Man which are listed by the Bank of England as falling within the banking sector. Table 3 covers the parent banks only. In this, it is comparable with the figures produced by the Bank of England, which show the reserve positions of all the banking sectors subject to credit control. Minor differences here arise from the exclusion from the clearing bank figures of Coutts, a subsidiary of National Westminster but a clearing bank in its own right.

TABLE 1. AGGREGATE BALANCES

	Total outstanding £m.	Total outstanding £m.	Change on month £m.	Change on month £m.
LIABILITIES				
Sterling deposits:				
U.K. banking system	2,812		+101	
Other U.K. residents	22,458		+375	
Overseas residents	1,479		− 22	
Certificates of deposit	1,757		−175	
		28,507		+ 279
of which: Sight		10,284		+ 326
Time (inc. CD's)		18,148		− 47
Foreign currency deposits:				
U.K. banking system	3,406		+104	
Other U.K. residents	521		+ 21	
Overseas residents	5,770		+ 85	
Certificates of deposit	926		+ 3	
		10,626		+ 182
Total deposits		39,132		+ 462
Other liabilities*		6,048		− 161
TOTAL LIABILITIES		45,180		+ 301
ASSETS				
Sterling				
Notes, coin and balances with Bank of England		904		− 36
Market loans:				
Discount market	1,569		+150	
U.K. banks	4,375		+ 46	
Certificates of deposit held	788		− 72	
Local authorities	1,057		+ 68	
Other	348		− 13	
		8,130		+ 179
Bills:				
Treasury bills	1,179		+101	
Other bills	787		− 35	
		1,966		+ 66
Special deposits with Bank of England		656		+ 20
Investments:				
British Government stocks	1,594		+ 30	
Other	1,057		+ 17	
		2,651		+ 47
Advances:				
U.K. private sector	13,368		−101	
U.K. public sector	196		—	
Overseas residents	1,758		+ 45	
		15,322		− 146
Other sterling assets*		3,969		− 33
Foreign currencies				
Market loans:				
U.K. banks and discount market	2,674		+ 25	
Certificates of deposit held	186		+ 24	
Other	3,590		− 2	
		6,420		+ 47
Bills		31		+ 6
Advances:				
U.K. private sector	1,314		+ 22	
U.K. public sector	816		+ 21	
Overseas residents	2,015		+ 39	
		4,145		+ 132
Other foreign currency assets*		407		+ 18
TOTAL ASSETS		45,180		+ 301
Acceptances		286		− 5

* Includes items in suspense and in transit.

TABLE 2. INDIVIDUAL GROUPS OF BANKS' BALANCES

	TOTAL Outstanding £m.	TOTAL Change on month £m.	BARCLAYS Outstanding £m.	BARCLAYS Change on month £m.	LLOYDS Outstanding £m.	LLOYDS Change on month £m.	MIDLAND Outstanding £m.	MIDLAND Change on month £m.	NATIONAL WESTMINSTER Outstanding £m.	NATIONAL WESTMINSTER Change on month £m.	WILLIAMS & GLYN'S Outstanding £m.	WILLIAMS & GLYN'S Change on month £m.
LIABILITIES												
Total deposits	33,138	+462	9,931	− 39	7,572	+165	1,718	+119	12,406	+179	1,505	+ 23
ASSETS												
Cash and balances with Bank of England	904	− 36	305	− 30	170	− 15	241	+ 3	257	+ 11	31	+ 2
Market loans:												
U.K. banks and discount market	8,089	+271	1,590	−290	2,069	+149	1,571	+ 21	2,840	+209	200	− 29
Other	5,940	+ 2	1,338	− 17	1,236	+ 6	948	+ 16	2,145	− 15	273	+ 21
Bills	1,397	+ 73	461	+177	585	− 37	464	− 18	417	− 25	65	+ 5
Special deposits with Bank of England	656	+ 20	132	+ 6	104	+ 6	130	+ 4	210	+ 4	20	—
British Government stocks	1,594	+ 30	429	− 3	342	+ 10	294	+ 49	497	− 40	30	+ 30
Advances	13,967	− 14	3,516	+ 30	3,156	+ 5	4,134	+ 22	6,260	−105	540	+ 4

TABLE 3. CREDIT CONTROL INFORMATION (Parent banks only)

	TOTAL Outstanding £m.	TOTAL Change on month £m.	BARCLAYS Outstanding £m.	BARCLAYS Change on month £m.	LLOYDS Outstanding £m.	LLOYDS Change on month £m.	MIDLAND Outstanding £m.	MIDLAND Change on month £m.	NATIONAL WESTMINSTER Outstanding £m.	NATIONAL WESTMINSTER Change on month £m.	WILLIAMS & GLYN'S Outstanding £m.	WILLIAMS & GLYN'S Change on month £m.
Eligible liabilities	18,508	−106	5,756	− 84	3,837	—	3,915	+ 35	4,470	−111	661	+ 23
Reserve assets	2,532	− 30	752	− 32	415	− 17	536	− 3	732	− 1	97	+ 13
Reserve ratio (%)	13.5	− 0.1	13.0	− 0.2	415	[illegible]	13.7	− 0.2	13.4	+ 0.3	14.6	+ 1.1

PUBLIC NOTICES

TARBERT (LOCHFYNE) HARBOUR AUTHORITY

Proposed new Terminal at East Pier, Tarbert, and Tarbert/Portavadie Ferry Service

SURVEY OF DEMAND

The Trustees of Tarbert (Lochfyne) Harbour Authority have been giving consideration to the construction of a MODERN TERMINAL at the East Pier, Tarbert, to incorporate roll on/roll off facilities, side and end loading facilities, other ancillary services (water, fuel, etc.), vehicle parking areas and generally to provide an all purpose terminal provided there is sufficient demand from potential users of such facilities.

Before committing the substantial capital investment required for this venture, the Trustees have a duty to test the financial viability of such a project. Other bodies who might give financial assistance to the provision of a terminal also require to know the likely usage of the facilities to be provided.

ALL PERSONS, FIRMS, COMPANIES, ASSOCIATIONS, LOCAL AUTHORITIES, or OTHER BODIES who would be likely to make use of the facilities envisaged ARE INVITED to contact the Clerks to the Trustees with as much detailed information as possible regarding their probable usage of such facilities.

All inquiries in writing please by 30th SEPTEMBER 1975.

to

MESSRS. MACARTHUR STEWART & ORR, CLERKS,
TARBERT (LOCHFYNE) HARBOUR AUTHORITY,
POLTALLOCH STREET,
LOCHGILPHEAD.

COMPANY NOTICES

NOTICE TO SHAREHOLDERS OF ALGEMENE BANK NEDERLAND N.V.

Holders of shares in Algemene Bank Nederland N.V. are herewith invited to attend the EXTRAORDINARY GENERAL MEETING which will take place on Thursday, September 25, 1975 at 15.30 hours at the company's office, Vijzelstraat 32, Amsterdam.

AGENDA

1. Opening of proceedings.
2. Explanation to the Notice of merger dated September [illegible] 1975 [illegible]
3. Any other business [illegible]

[illegible]

Barings Brothers & Co. Ltd. [illegible]
Algemene Bank Nederland N.V.
61 Threadneedle Street, London, EC2P 2HH.
Amsterdam, September [illegible], 1975.
ALGEMENE BANK NEDERLAND N.V.
The Managing Board

UNION CORPORATION LIMITED
(Incorporated in the Republic of South Africa)

DECLARATION OF DIVIDEND NO. 117
PAYMENT OF COUPON NO. 122

[illegible]

By Order of the Board
per pro. UNION CORPORATION (UK) LIMITED
London Secretaries
J. V. HUMPHRIES

London Secretaries:
Princes House,
95 Gresham Street,
London, EC2V 7BS.
London Transfer Office:
Hill Samuel Registrars Limited,
6 Greencoat Place,
London SW1P 1PL.
9th September, 1975.

PUBLIC NOTICES

GLASGOW DISTRICT COUNCIL

[illegible] 15 1/64% [illegible] 1975. [illegible] The total [illegible] £7.3m.

H.M. LAND REGISTRY

[illegible] certificate [illegible] destroyed [illegible] Land Registry, [illegible] WC2A 3PH. [illegible] P127008 [illegible] London. [illegible] Honourable [illegible] Harewood.

117 INTERNATIONAL GROWTH FUND S.A.

Société Anonyme
Luxembourg 37, rue Notre-Dame
R.C. Luxembourg B 10.452

Notice of Meeting

Messrs. Shareholders are hereby convened to attend the Extraordinary General Meeting which is going to be held on September 17th, 1975 at 11.30 a.m. at the headoffice, with the following agenda:

Agenda

1. To approve the report of the directors and of the statutory auditor for the half year ended June 30th, 1975.
2. To approve consolidated statement of net assets at June 30th, 1975 and the consolidated statement of operations for the period ended on that date.
3. To approve the proposed dividend of dlrs 0.16 per share.
4. To ratify the renewal of the investment management agreement with Jersey International Fund Management for the year ending June 30th, 1976 for an annual fee of dlrs. 5,000 plus one half of one percent of the average gross assets of the company and the refund of certain communications expenses.
5. To give the directors and the statutory auditor their discharge in respect of the half year ended June 30th, 1975.
6. To approve the proposal that Mr. Mark A. Vaughan-Lee be appointed a director of the company.
7. To transact any other business.

The Board of Directors

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Broad retreat on inflation fears

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Sept. 9.

TEMPORARY resolution of New York City's fiscal crisis provided initial support for the stock market to-day, but the enthusiasm vanished in the afternoon and prices closed in broad retreat.

After putting on 3.21, the Dow Jones Industrial Average fell 12.36 at the close to 827.75. The NYSE All Common Index lost 65 cents to $45.00. Declines led advances by 904 to 461 and trading volume was up 4.29m. shares at 15.79m.

Some analysts said investors were aware the city's rescue operation was merely a stop-gap measure that would have to be coped with again later in the year.

Other analysts said the market's late weakness showed investors still were concerned about inflation, which Mr. William Simon, Treasury Secretary, labelled last week-end as "truly our long-term enemy."

Governor Hugh Carey signed a bill, passed by the New York State legislature after an all-night session, granting $2.3bn. in aid to the city. The funds make it possible for the city to avoid default on its debt until December.

Sony, which yesterday traded over 1m. shares at fractionally lower prices, again headed the most active list. It fell another point to $8¾ on 864,400 shares.

Yesterday, a brokerage house trimmed its estimate of Sony earnings. A Sony official to-day reiterated he expects per share earnings this year to decline 30 to 40 per cent. from the 49 cents a share earned last year.

Utah International slumped $5⅞ to $43 following a bearish earnings projection from the company.

But USM Corp. spurted $3⅜ to $21⅞ after a delayed opening. It urged shareholders to reject a tender offer of $23 a share for 1m. shares of common stock by Emhart Corp. The latter's stock rose $⅜ to $21½.

Pillsbury Company dipped $¼ to $67½, although it raised the dividend and voted a two-for-one stock split.

The American SE Market Value Index fell 0.49 to 85.09 after being up 0.19 earlier. Declines led advances 372 to 196, and trading volume was up 210,000 shares at 1.42m.

Brokers said there was continuing hesitation over the Government's recently announced measures to support the economy.

Banks, Foods, Engineerings, Stores, Electricals and Chemicals mostly lost ground, while Holdings, Buildings and Oils were mixed. Most Motors, Metals and Textiles made gains.

Among the heaviest losers were CCF, Radar, Pollet, Boreal, Generale de Fonderie, BHV, TRT, Creusot Loire, Aquitaine and Puk.

Among Foreigns Americans were steady, Germans and Dutch narrowly mixed, Oils and Canadians a little stronger, Golds and Coppers weak.

AMSTERDAM—Firmed generally in very quiet trading, with Akzo unchanged at Fls.34.80 among otherwise higher Dutch internationals.

Banks, Insurances and Transport were narrowly mixed, while Dutch Industrials mostly gained.

Bonds were narrowly mixed with fluctuations of Fls.0.10 to Fls.0.20 either way.

BRUSSELS — Locals closed mostly lower in quiet trading on the first day of the new account.

Main losers were Electrobel, Gevaert, Cockerill and FN. Intercom and Asturienne were among the few gains.

British, German and French were little changed, while U.S. issues rose on speculation of a stronger Wall Street following the rescue operation for New York City. Dutch were firm and Golds fell in line with the London fixing. All three Petrofinas rose.

GERMANY—Closed lower in technical reaction to Monday's rise, in small volume after a firmer start.

Banks were mostly lower. In leading Commercial Banks, Dresdner Bank declined 0.50 to DM239, Commerzbank 1 to DM 201.50 and Deutsche Bank 2.60 to DM308.90. Electricals were steady to lower. While AEG declined 0.20 to DM72.50, Siemens closed unchanged at DM262.50.

Chemicals declined across a wide front. Bayer dropped 1 to DM112.70, Hoechst 1.50 to DM123.10 and BASF 2.70 to DM132.40.

Motors also lost a little ground. Daimler slipped 0.20 to DM316.80, VW also 0.20 to DM121.10 and BMW 0.50 to DM226.

SWITZERLAND—Remained depressed, but with a steadier undertone.

Banks and Industrials improved. Financials closed mixed. Chemicalse were steady and insurances advanced. Oerlikon Buehrle rose 20 to S.Frs.1,165 but Ciba-Geigy non-voting slipped 10 to S.Frs.915 and Landis Gyr B. fell 20 to S.Frs.545.

In foreigns, Dollar stocks firmed slightly in moderate turnover, with Blue Chips and Glamour notably higher in places. Dutch Internationals closed barely changed and Germans were narrowly mixed.

MILAN — Closed irregularly lower in quieter trading. Fiat, both Pirellis, Snia Viscosa, Bastogi and Montedison lost ground while Generale Immobiliare and both Olivettis gained. Bonds were little changed.

TOKYO—Eased as Blue Chips followed a sharp decline in Sony, which fell Y400 to Y2,810 after a U.S. brokerage house trimmed its estimate of the corporation's earnings because of the sluggish Japanese economy.

Sony's fall prompted declines in other Electricals and Blue Chips, including Shiseido, down Y20 at Y1,450, Matsushita Electric, down Y13 at Y488, and TDK Electronics. Recently firm shares met profit-taking and also dipped.

HONG KONG—Closed weaker in quiet trading after a steady opening.

Sentiment was adversely influenced by market rumours that the go-ahead decision on the mass transit railway system in Hong Kong may be delayed.

Most leading shares were lower. HK Bank fell 10 cents to $HK15.80 Jardine Matheson was down 30 cents to $HK23.20 and Hutchison lost 6 cents to $HK1.75.

JOHANNESBURG—Gold shares were easier following the lower gold price. South Vaal fell 30 cents to R9.10 and Durban Deep lost 80 cents to R620.

Financial Minings were lower following producers and Anglos was down 10 cents to R4.10. Coppers were easier where traded and Palamin lost 10 cents to R9.20. Platinums were lower.

AUSTRALIA — Closed firmer although late profit-taking clipped the day's highest levels.

Energy stocks led the advance. Coal shares Utah, Coal and Allied, Thiess, AAR and Southland met active support and gained while Pancontinental rose 20 cents to $A5.90.

Among Oils, Weeks and Oil Search moved ahead but Woodside-Burmah lost an early gain to end unchanged.

OTHER MARKETS

Canada lower

Canadian Stock Exchanges closed generally lower in moderate trading yesterday.

Industrials were down 0.58 at 184.52, Golds 9.53 at 312.69, Base Metals 0.47 at 77.03, Utilities 0.14 at 125.41, and Papers 0.28 at 107.78. But Western Oils firmed 0.21 to 182.72 and Banks 0.56 to 273.49.

PARIS—Moved lower, though not as sharply as on Monday.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume† 000's
Sept. 9	67.65	154.74	827.75	78.44	15,790
8	67.62	155.52	840.11	78.22	11,500
5	67.70	155.39	836.97	77.74	11,600
4	67.84	156.54	838.31	78.19	12,810
3	67.36	157.00	832.29	78.44	12,260
2	67.66	156.34	825.89	78.25	11,460
Aug. 29	67.76	157.24	835.34	79.24	16,480
28	67.58	156.60	829.47	78.70	14,530
27	67.61	152.82	807.02	77.29	11,110
26	67.61	153.19	803.11	76.91	11,350
25	67.65	156.24	812.34	77.23	11,260
22	67.68	154.66	804.76	76.43	13,050
21	67.73	155.39	791.69	76.18	16,810
20	67.80	154.58	793.26	76.40	18,630
19	67.75	156.47	808.51	77.45	14,990
18	68.07	156.60	822.75	78.09	10,810
15	68.18	158.25	825.64	77.68	10,610
1975 High	68.92 (4/4)	174.12 (6/6)	881.81 (15/7)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Sept. 5	Aug. 29	Sept. 6 1974
4.56	4.56	5.50

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Sept. 9	94.80	84.60
8	96.36	85.89
5	96.07	85.62
4	96.73	86.29
3	96.62	86.38
2	98.12	87.42
Aug. 29	98.31	87.73
1975 High	107.40 (15/7)	96.61 (15/7)
1975 Low	77.71 (8/1)	70.74 (8/1)

* 425 Industrials. †425 Industrials, 30 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Sept. 4 1975	Aug. 27 1975	Sept. 4 1974
Ind. Ord. yield pc.	3.94	4.01	4.99
Ind. Ord. p/e ratio	12.38	10.97	12.98
Long-term Govt. Bds. per cent.	8.62	8.63	8.92

TUESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Sony	864,400	8¾	−1
U.S. Steel	182,300	60	−1½
CITI Corpn.	179,300	29¾	−⅝
Texaco	155,400	23½	—
Polaroid	148,800	33½	−1½
Beatrice Foods	148,100	18½	−¼
Westingh's Elec.	135,700	14¼	−⅛
Duke Power	126,700	16½	−⅛
Union Carbide	119,700	62½	+¼
Utah Intl.	119,100	34	−5⅞

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Sept. 4	Aug. 28	Aug. 21
On Dividends	7.62	7.60	7.47
On Earnings	13.07	13.43	13.70

SYDNEY ALL ORD. INDEX

Sept. 9	Sept. 8	High 1975	Low 1975
367.48	363.97	388.55 (4/8)	289.88 (9/1)

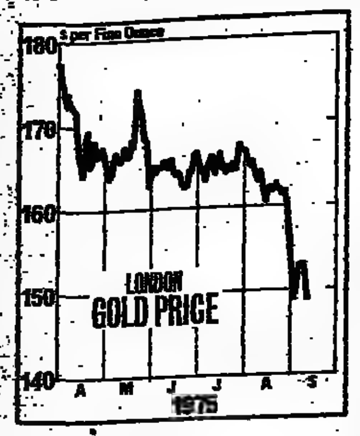
TORONTO INDUSTRIAL INDEX

Gold weaker

Gold fell sharply in the London bullion market yesterday losing $3 an ounce to close at $148¾-149¾, its lowest since September last year. The metal opened at $150¾-$151¾ in an initially quiet market. Trading picked up, however, and fairly heavy selling saw a low of the day of $146-147. There were indications that the metal might level out in the $145 region although the market remained nervous.

The dollar closed steady in the foreign exchange market after early losses had been regained partly on the approval of a $2,300m. aid programme for New York. The dollar's trade-weighted average depreciation against 14 units since the Washington Agreement, as calculated by Morgan Guaranty on noon rates in New York, widened to 2.73 per cent. from the previous 2.70 per cent.

Sterling's depreciation on a similar, Morgan Guaranty, basis eased to 33.19 per cent. from 33.10 per cent. The pound closed at $2.1100-2.1110 in terms of the dollar compared with $2.1105-2.1115 overnight, and reached a high during the day of $2.1140-2.1150 in quiet trading. Sterling's trade-weighted depreciation against ten major currencies since the Washington Currency Agreement (as calculated by the Bank of England), remained unchanged at 27.5 per cent., having stood at that level all day. The Krugerrand for domestic delivery closed at $152¼-154¼ (£72¼-73¼) compared with the previous $156¼-158¼ (£74-75). The premium on the Krugerrand over its gold content in domestic dealings fell to 3⅛ per cent., from Monday's 3½ per cent.



SPECIAL DRAWING RIGHT RATES

One SDR is equal to:	Sept. 9	Sept. 8
Sterling	0.562181	0.562270
U.S. dollar	1.18800	1.18667
Belgian franc	45.7818	45.7669
Deutsche mark	3.05088	3.06220
French franc	5.22735	5.23351
Italian lira	795.722	795.782
Japanese yen	354.024	353.604
Dutch guilder	3.13513	3.13518
Swedish krone	5.18087	5.18812

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

EXCHANGE CROSS-RATES

Sept. 9	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankf't.	—	2.578-9	58.56-61	6.689-94	5.439-49	97.435-560	96.158-248
N.York	38.69-71	—	22.70-72	2.525-528	2.1100-1110	37.75-78	37.26-29
Paris	170.7-171.1	4.3952-4060	—	11.4140-385	9.297-323	166.55-95	164.225-625
Brussels	14.92-93	38.48-53	8.75-77	—	81.23-44	14.57-62	14.35-40
London	[illegible]	2.1100-1160	9.28¼-29¼	81.30-50	—	[illegible]	[illegible]
Am'erdam	102.365-415	2.6577-402	59.95-.06	6.8475-52[illegible]	[illegible]	—	[illegible]
Zurich	103.89-99	2.6805-20	60.86-95	6.9500-75[illegible]	[illegible]	[illegible]	—

OVERSEAS SHARE INFORMATION

هكذا من الأصل

FARMING AND RAW MATERIALS

New rules for trading in Paris

PARIS, Sept. 9.

NEW RULES governing operation on the Paris Commodity Market are now expected to be officially given the go-ahead towards end-September, Commerce Ministry Industry sources said here to-day.

M. Vincent Ansquer, Commerce Minister, is still waiting, however, for the different parties involved to try to resolve the settlement price issue arising out of last December's temporary suspension of the international white sugar futures market.

The situation is complicated by the fact that the new rules, if applied without a compromise solution first being reached, may make it difficult for some dealers to operate, and the authorities accept that the existence of a limited market could itself cause problems, the Ministry sources said.

Meanwhile, the new clearing house, the Banque Centrale de Compensation SA (BCC), is scheduled to begin operations between September 15 and 20.

Reuter

Japanese rice stockpile plan

TOKYO, Sept. 9.

JAPAN PLANS to build up a stockpile of 2m. tonnes of rice to prepare for any future food shortages, Agriculture-Forestry Minister Shintaro Abe told newsmen to-day.

He said the present plan is to increase between-crop stocks from 600,000 tonnes last year to 1m. tonnes this year, 1.5m. tonnes next year, and 2m. the year after.

The Minister said he obtained U.S. Secretary of Agriculture Earl Butz's commitment last month that the U.S. would supply Japan with a minimum 14m. tonnes of wheat, soyabeans and feed grains annually over the next three years.

Japan is also planning to expand production of wheat and soyabeans, which had declined heavily in the past decade.

GHANA MID-CROP COCOA PURCHASES

ACCRA, Sept. 9.

PURCHASES of mid-crop cocoa for the thirteenth week of the season to September 4 are estimated at 707 long tons, the Ghana Cocoa Marketing Board said. This brings total mid-crop purchases this season to an estimated 6,249 tons.

Mid-crop purchases in the thirteenth week of last season ended August 15 were 448 tons which raised the cumulative purchases for that season to that date to 6,662.

Reuter

First official estimate of U.K. grain crop decline

BY PETER BULLEN

THE FIRST official estimate of Britain's grain harvest this year indicates a total of just over 14m. tons—nearly 2m. tons below last year's record 16m. tons.

The 2m. tons drop is not likely to affect U.K. grain markets which have been expecting a fall of 2m. to 2½m. tons following the bad planting conditions for many crops and the long, hot dry summer which has hit yields.

In its monthly agricultural report yesterday the Ministry of Agriculture gave its first preliminary estimates of the yields in England and Wales. It put the average wheat yield at 34.9 cwts an acre, barley 28.8 cwts and oats 29.4.

Dry summer

Although the wheat figure is 4.5 cwts below last year's final yield figure it is only one cwt below the three-year average.

The barley yield is down by 2.7 cwts on last year's harvest and 2.5 cwts down on the three-year average, and oats down 1.5 cwts on last year and 2.3 cwts below the average.

On the basis of these yield estimates, adjusted to take account of grain harvested in Scotland, and multiplied by the estimated area of cereals planted, the Home Grown Cereals Authority's provisional estimate of the U.K. harvest is 14.1m. tons. This is made up of 4,484,000 tons of wheat from 2.5m. acres; 8,653,000 tons of barley from 5.8m. acres; 828,000 tons of oats from 576,000 acres; and 141,000 tons of other grains.

Owing to the hot, dry summer the 1975 harvest had been virtually completed at the end of August. The Ministry said 80 per cent. had been gathered compared with only 50 per cent. at the end of August 1974. This should mean that the first yield estimates may not have to be amended as much as in previous years.

The dry summer has also reduced the quantity of hay brought in although its quality has been good. For hay from grassland up to four years old the yield is estimated at 30.9 cwts an acre, 4.3 cwts below last year's figure and 6.6 cwts below the three year average. Hay from grassland over four years old is put at 28.2 cwts compared with 31.7 cwts last year and the three year average of 33.3 cwts.

The extent of the loss in main crop potatoes this year can also be gauged by the Ministry's end of August yield estimate of only 9.9 tons an acre which is 3.6 tons down on the final 1974 figure and nearly 3 cwts below the 1972-74 end of harvest average.

French maize

From Paris Reuter reports that French maize production in 1975-1976 will probably not be much over 9m. tonnes (8.88m. in 1974-1975) despite the planting of 2.06m. hectares this year (1.9m. harvested last year). The Maize Producers' Association (AGPM) estimated deliveries at 7.2m. tonnes, (6.9m.), or even slightly less, which with a carryover stock of 2m. tonnes and estimated imports of 330,000 will give France an availability of 9.5m. tonnes.

The AGPM report said the very low yield now expected—below 45 quintals per hectare against 47 last year and 54 in 1973-74—is due to the exceptionally dry weather which has caused serious damage to a crop already suffering the effects of late frosts and heavy rain in April.

Sugar price uncertainties

BY OUR COMMODITIES EDITOR

JAMAICA MAY have to sell sugar to the U.K. at a price which is below the cost of production during the first six months of 1976, according to Jamaican industry sources, our Kingston correspondent reports.

The present premium price of £260 a ton for cane sugar imports to the U.K. expires at the end of 1975, and the next EEC "sugar year" governing supplies under the Lomé Convention does not start until July 1, 1976. So prices for the 300,000 tons or so to be shipped by cane sugar suppliers during January to June next year will be subject to negotiations between the refiners and the supplying countries, using the EEC producer price of £156 a ton as the guaranteed "floor" price.

The last published estimate of the cost of production in the Caribbean was £140 a ton about a year ago, and since then costs have risen considerably.

The poor prospects for the U.K. beet crop, now estimated at 700,000 tons with the possibility of being even lower if weather conditions do not improve, means that the gross surplus situation in Britain at present may well disappear, since crops in other EEC countries are also expected to be well below the levels hoped for.

It was anticipated that the increase in plantings, helped by price incentives, would bring a much larger crop and, perhaps, leave over 1m. tons for export. Instead, the supply-demand situation may be more finely balanced with cane sugar imports needed to fulfil Britain's shortfall.

British cane refineries are at present engaged in negotiations with supplying countries to agree long-term (five-year) contracts, including the January-June period next year. Britain may well have to pay a sufficient premium to stop supplies of cane sugar going to Continental beet factories, able to refine cane sugar during seasonally quiet periods at very competitive prices. At the same time, the question of U.K. cane sugar refining margins are also to be discussed with the EEC Commission.

Ministers of the ACP sugar exporting countries are due to meet in Mauritius in November to determine their approach to negotiations for the price to be paid for shipments to Britain during the 1976-77 period starting July 1, 1976. But long-term contracts with U.K. refiners, and any change in the world market situation, could affect the negotiations between the ACP and EEC due to start around May next year.

Despite the deterioration in EEC beet prospects and the possibility of Russian buying, the world sugar market remains subdued at the moment with values tending to ease. Lack of buying demand, and the decline in speculative activity reflecting the downturn in gold and grains, has reversed the recent upward climb in prices. The market was also depressed yesterday by news of Brazilian sales.

Reuter reports from Moscow that U.S. agricultural experts said they were sticking to the 80-84m. tonnes estimate for this year's Soviet sugar beet crop, as harvesting starts in the Ukraine—one of the main Soviet beet regions. The experts said they expected the yield to hold from last year, when 78m. tonnes were produced, and add that the extra 100,000 hectares being harvested this year should provide the increase.

Copper market eases

By Our Commodities Editor

COPPER prices lost ground again on the London Metal Exchange yesterday, with cash wirebars falling by £6.25 to £574.25 a tonne. Reports of moves to ship copper exports, at present stuck in Lobito Port, and further supplies coming via Dar-es-Salaam had a small impact on the market, more concerned with movements in gold and grain affecting speculative sentiment.

Market sources claimed that the cutback in Zambian shipments is far greater than the 20 per cent. *force majeure* declaration, but at the moment there is little concern about the size of the shortfall since there are more than adequate supplies available.

In Lusaka, Zambian president Kenneth Kaunda announced that the Chinese-built Tanzania-Zambia railway has begun operating on an emergency basis.

Official mining sources said the possibility of exporting Zambian copper along the railway on an emergency basis is being examined.

Mr. Kaunda added that he could not say when the railway would be fully operational.

Meanwhile, in Santiago, Chilean President Augusto Pinochet signed a decree-law reorganising the State copper corporation, Codelco.

Under the new structure there will be two separate organisations, Corporacion del Cobre de Chile (Codelco-Chile) which will take direct charge of the administration of the big five copper mines, making it one of the largest copper-producing companies in the world.

There will also be the Chilean Copper Commission (CCC), an advisory organisation serving the Mines Ministry, the Foreign Investments Committee, the Central Bank and other bodies on policy matters.

Revival of U.S. coffee contract

NEW YORK, Sept. 9.

NEW YORK Coffee and Sugar Exchange has revived trading in its coffee "B" futures contract after seven years of dormancy. Trading ceased in the contract during the late 1960's when U.S. coffee importers found they were at a disadvantage in using the market for hedging.

An Exchange spokesman said industry pressure to get the contract started again mounted when Brazil reported the frost disaster to its 1976 coffee crop.

WOOD CHIPBOARD

European industry in a sorry state

BY A CORRESPONDENT

CONSUMPTION OF wood chipboard in Western Europe is currently running some 35 per cent. below production capacity, and price levels have become so depressed that no mill is profitable.

In Belgium, at least three mills have closed in the past few months and two more have applied for a moratorium on their debts. In Finland, one comparatively new chipboard producer has been rescued by a State-owned company and there are strong indications that a similar rescue will soon have to be mounted for another concern.

Meeting in Stockholm, the European Federation of Associations of Particleboard Manufacturers approved a recommendation that no new production capacity should be installed because of market saturation.

The industry finds itself caught in a pincer movement, one half of which is of its own making. In the late 1960s wood chipboard became the favourite growth material of all the wood-based sheet materials. (As a broad generalisation one can say that it is less labour-intensive than plywood, it can consume material that would otherwise be wasted, and it offers fewer environmental problems in manufacture than fibre building board.) For these reasons a huge investment was channelled into production capacity and even if economic growth had continued on the scale of 1973, consumption would have been hard pressed to absorb all the board being produced. The recession in Europe has led to the present sorry state of the industry.

Moving house

The U.K. can produce about half of the wood chipboard normally consumed. In 1974, apparent consumption topped the million cubic metres mark at 1,234,000 cu. m.—about 20 per cent. down on the boom year of 1973. Home production amounted to 362,000 cu. m. and imports to 810,000 (including 119,000 cu. m. of flaxboard). In the first half of this year imports at 520,800 were 7 per cent. down on the first half of last year and home production at 253,500 was 37.5 per cent. up. (the largest U.K. mill at Cowie in Sterlingshire got into its production stride in the period).

The Chipboard Promotion Association, a U.K. based organisation financed by European and U.K. producers to promote the material, has recently done a detailed statistical survey of imports, home production and stocks both at U.K. mills and in the hands of importers and distributors. It has come to the conclusion that apparent consumption in the first half of this year could well be running at a level 12 per cent. above the same period of 1974.

As far as Britain is concerned, if the statistics are to be believed, it appears that consumption has held up remarkably well and most distributors and merchants will confirm that this is so. The furniture trade, the largest single user and the industry has maintained a steady offtake.

Nevertheless distributors are keeping their fingers crossed for 1976. Up to now there has been strong evidence that people instead of trading up by moving house have concentrated on improving their present home. This frequently takes the form of new kitchen units, new living room storage units and bedroom unit furniture, all fields where chipboard is pre-eminent. But there are a number of basic price rises in, for instance, fares, rates and food which have yet to work their way through to the consumer at a time when the £6 wage increase limit will begin to bite. How will non-essential spending hold up then? In the construction industry, the second largest consumer of chipboard, the prospects seem brighter but the same applies.

But while consumption in the U.K. may have held up so far prices have dropped sharply in the face of over-production in Scandinavia and on the Continent. Like their counterparts elsewhere none of the British mills can run profitably at present prices.

It was the Belgians who undoubtedly started the price cutting spiral. Late last year, the slump in Germany had drastically cut its main export market and the Belgian industry was desperately seeking other outlets. The mills in that country are mostly small and family-owned—the sort of industrial setup which does not take kindly to centralised advice on prices and which is ideally structured for the brisk wheeling and dealing which developed.

As prices fell all round, the U.K. producers took anti-dumping action against some mills in Norway, Sweden and Romania but were powerless to act against Belgium, a fellow EEC member. In the first half of this year Belgium became top supplier of wood chipboard for the U.K. sending 112,955 cu. m. worth some £5½m. and easily overtaking Finland, traditionally the largest supplier, who sent only 71,678 cu. m.

The one development that would do most to relieve the price situation would be a revival in German demand which would divert Belgian supplies back to their traditional market.

Aspen flakes

As old-established suppliers in Scandinavia see their production facilities idle and a crisis in the industry deepening they point to the fact that in the long term the present price cutting can be in no one's real interest. If a lot more producers go bankrupt will sufficient capacity survive to supply the market when the upturn comes? And although from past ties and trading links that go back over generations U.K. importers are sympathetic, their function as traders dictates that they must buy in the best market and sell at current price levels.

In the end it is the prime producer of a material who decides the price at which he will sell, the importer as a middleman cannot decide price levels. But figures produced recently in Finland illustrate the seriousness of the position. First half 1975 exports are down by nearly 44 per cent. and production by over 31.

The worldwide economic downturn has produced another factor for the British market to digest. For many years Canada has produced a material skin to wood chipboard which is called wafer board or flake board. It is made of flakes of aspen, a fast growing hardwood in plentiful supply, bound by a phenolic resin glue. The two largest Canadian producers influenced no doubt by the fall in their domestic and U.S. demand are both making serious attempts to market the material in the U.K. The properties of the board and its price put it in the field as a competitor of exterior grade plywood in the sheathing of timber frame housing—a good growth area but one at which the conventional wood chipboard producers were casting their eyes as they perfected the production of exterior grade board.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

COPPER—Lost ground on the London Metal Exchange. Prices gave ground, in part reflecting the fresh setback in Gold. Forward metal traded down to £594 owing to stale bull liquidation and reports that exports of copper from Lobito were to be given preferential treatment. The price then rallied to £597 on short-covering [illegible]

[illegible]

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	574.5-5	—4.5	573.5-5	—6.25
3 months	595-.5	—4.5	595-6	—7
Settlem'nt	575	—4.5	—	
Cathodes				
Cash	562-3	—5.5	560-2	—6.75
3 months	583.4	—5.75	582-3	—7
Settlem'nt	563	—4	—	
U.S. Smt	—		*56-58.7	

Amalgamated Metal Corporation reported that in the morning cash wirebars [illegible]

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
High Grade				
Cash	3140-5	—8.5	3153-40	—4.5
3 months	3205-7	—15	3202-5	—7.5
S'ment	3145	—7	—	
Standard				
Cash	3140-5	—8.5	3138-40	—4.5
3 months	3205-7	—15	3202-5	—7.5
S'ment	3145	—7	—	
Straits E	[illegible]	—2½	—	
New York	—		*361.00	[illegible]

[illegible]

GOURMET

GALLIPOLI RESTAURANT of Old Broad St., E.C.2. Open every day for lunch, dinner and dancing until 3 a.m. Cabaret twice nightly 10.30 p.m. and 1.15 a.m. Mon. to Sat. £5.25. Tel. 588 1922.

RESTAURANTS

JACARANDA, Walton St., S.W.3. Open-air luncheons in garden. Dinner 8 p.m. to midnight. 589 0075.

CONTRACTS & TENDERS

UNITED ARAB EMIRATES

TENDER No. E7/75

VHF Communications Systems

Tenders are invited by the Ministry of Electricity and Water for the proposed communications systems (Point to Point and mobile VHF radio installations) in the northern Emirates. Tenderers are invited to survey the area and submit tenders which must be received by 17.00 hours on 2nd November 1975.

Conditions:

1. Each tender fee is Dhs 100.00 and is not refundable.
2. Prospective tenderers should apply to the Ministry's offices in Dubai or Abu Dhabi during normal office hours.
3. Each tender must be supported by a Bank Guarantee for 5% of the total Tender sum which will be increased to 10% by way of a Performance Bond for the successful Tenderer for the full period of the Contract.
4. Bank cheques, even if approved, are not acceptable.
5. Three copies of each offer shall be submitted in a plain sealed envelope addressed to:
   His Excellency the Chairman
   The Permanent Committee for Projects
   Ministry of Planning
   PO Box 2847
   Abu Dhabi, United Arab Emirates
6. Each envelope must be endorsed with the Designation: Tender No. E7/75. The Tenderer's name shall not appear on the envelope.

This notice is complementary to the details given in the official Specification and in no way modifies the details contained therein.

SAID IBRAHIM DARWISH,
Deputy Minister.

LEAD

[illegible]

ZINC—[illegible]

SILVER

[illegible]

COCOA

[illegible]

FREIGHTS

DRY CARGO—[illegible]

COFFEE

[illegible]

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

GRAINS

THE BALTIC—[illegible]

LONDON GRAIN FUTURES MARKET (GAFTA)—[illegible]

Nov. 60.00-62.30, Jan. 64.00-64.30, March 66.50-66.15, May 69.40-68.05. Barley, easier. Close: Sept. 60.25, Nov. 62.00, Jan. 64.00, March 65.65, May 67.35. Business: Sept. 60.30-60.15, Nov. 62.15-61.45, Jan. 64.20-63.45, March 65.65-65.40, May 66.95.

HGCA—Location ex-farm spot prices: Soft milling wheat: Humberside £51.60, Gloucester £52.90: Feed barley: Humberside £50.50, Gloucester £50.40.

[illegible]

SUGAR

LONDON DAILY PRICES [illegible]

WOOL FUTURES

LONDON—The market was a shade better in a more active session, reports Bache.

[illegible]

JUTE

[illegible]

MEAT/VEGETABLES

SMITHFIELD—(Prices in pence per pound). Beef: Scotch killed sides 30.0 to 33.0, English hindquarters—heavy 40.0 to 41.0, forequarters 24.0 to 25.0. Eire hindquarters 40.0 to 42.0, forequarters 24.0 to 25.0.

Veal: English fats 30.0 to 44.0, [illegible]

[illegible]

English produce: Lettuce—Per 12 round 1.20, cos 1.20. Cucumbers—Per tray 12 1.50, 14 1.50, 16 1.50, 18 1.00, 20 1.00. Potatoes—Per 56 lbs White 2.20, Edwards 2.30. Cabbages—Per bag, Primo 1.50. Marrows—Per 15 0.80. Cauliflowers—Per 12 1.60-2.00. Mushrooms—Per pound 0.20. Tomatoes—Per 12 lbs 0.90-1.00. Runner Beans—Per pound 0.16-0.15. Onions—Per 56 lbs 2.60. Apples—Per pound Grenadiers 0.05, Bramley's 0.07-0.08, Derbys 0.06, James Grieve 0.05, Discovery 0.08-0.09, Tydeman's Early Worcester 0.06, Worcester Pearmain 0.06-0.08, Cox's Orange Pippin 0.08-0.10; Howgates per box 1.80. Celery—Per 30 1.50-1.80. Beetroot—Per 12 lbs 0.90. Plums—Per 12 lbs Victorias 1.50-2.00, per pound Bush 0.08. Corn Cob—Per 12 0.70-0.90. Cob Nuts—Per pound 0.35-0.40. Carrots—Per 28 lbs 0.50-0.60.

★

HIDES—Manchester. Steady to somewhat firmer. Second clear ox 31-35½ kilos withdrawn at 21.1p per kilo; 26-30.5 kilos withdrawn at 23p; 22-25.5 kilos 34.6p. Light cows 22.9p. No calf offered.

★

GRIMSBY FISH—Supply moderate and demand good. Prices at ships side (per stone): Shelf cod £1.70-£2.30, Codlings £1.60-£2.00. Large haddock £2.70, Medium haddock £2.10-£2.30. Small haddock £1.60-£2.00. Large plaice £3.40, Medium plaice £3.20. Best small £2.80, Skinned dogfish £5.00. Coalfish £1.00-£1.10.

ISRAEL EXPORTS OF CITRUS SOON

TEL AVIV, Sept. 9.

ISRAEL'S 1975-76 citrus export season will start within a fortnight with initial shipments of early ripening grapefruit from the Jordan Valley. Picking of the grapefruit is due to start next week.

PRICE CHANGES

Prices per ton unless otherwise stated.

	Sept. 9 1975	+ or —	Month ago
Metals			
Aluminium	£396		£396
Free Market	[illegible]		£340-350
Copper	[illegible]		£602.5
	[illegible]		£623.25
	[illegible]		£591.25
	[illegible]		£611.75
	[illegible]		$164.1
	[illegible]		£184
	[illegible]		£191.75
	[illegible]		£1,958
	[illegible]		[illegible]
	[illegible]		£281-282
	[illegible]		£280.5
	[illegible]		$112-116
	[illegible]		235.7p
	[illegible]		243.5p
	[illegible]		£3,227
	[illegible]		£3,265
	[illegible]		£340.5-.2
	[illegible]		£344.5
	[illegible]		£355.875
	[illegible]		£360
Oils			
	[illegible]		£457
Seeds			
	[illegible]		£236
	[illegible]		£179
Grains			
	[illegible]		£62.2
	[illegible]		£62.5
	[illegible]		£66.5
Other commodities			
	[illegible]		[illegible]
Pepper White	£890	—15	£910
Black	£695		£700

* Nominal. † Seller. ‡ Unofficial close. ⁂ Indicative price. b U.K. and Commonwealth refined. c Uganda Robusta standard grade indicative prices f.o.b. Mombasa U.S. cents a pound. d Bangladesh white "C." ‡ Unquoted. a Seller's quotation h Nov. k Aug.-Sept. u Metric tons r September. v Aug.-Oct. s July-Aug. t Nov. q May-June. w Nov.-Jan.

FINANCIAL TIMES

Sept. 9	Sept. 8	Month ago	Year ago
176.20	176.64	183.53	200.08

(Base: July 1, 1952=100)

REUTER'S

Sept. 9	Sept. 8	Month ago	Year ago
1157.8	1161.8	1167.5	1246.6

(Base: Sept. 18, 1931=100)

DOW JONES

Dow Jones	Sept. 9	Sept. 8	Month Ago	Year ago
Spot	311.25	312.98	321.43	371.44
Futures	293.35	296.93	305.76	344.37

(Average 1924-25-26=100)

MOODY'S

Moody's	Sept. 5	Sept. 8	Month ago	Year ago
Sple Comm'ty	796.7	803.6	798.9	852.8

(Dec. 31, 1931=100)

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LIVERPOOL. Spot and shipment sales amounted to 42 tonnes, bringing the total for the week to 99 tonnes, reports F. W. Tattersall. Business lacked emphasis and only very small transactions ensued. Middle Eastern qualities including Turkish and Russian, were in chief request.

Sugar down after grain prices fall

NEW YORK, September 9.

SILVER rallied on new Commission-House buying while copper declined on continued trade selling. Cocoa closed lower on light Commission-house selling. In featureless trading sugar closed lower. Chicago grain finished lower across the board on renewed Commission-house liquidation based on news that the Soviet Union would not be allowed to buy grain until October 10 at the earliest, Bache reports.

Cocoa—Ghana spot unquoted (same). Bahia spot 60½ (61). Sept. 59.75 (60.10). Dec. 52.71 (53.50). March 49.40. May 48.40. July 47.95. Sept. 47.57. Dec. 47.02. Sales: 617.

Coffee—Spot Santos No. 4 unquoted (same). Colombian Mams unquoted (same). "C" Contract: Sept. 79.50-79.70 (78.25-78.30). Nov. 79.65 nom. (74.80). Dec. 79.50-79.60. March 79.70-79.90. May 79.90-80.10. July 80.30 bid. Sept. 80.60 bid. Sales: 162 lots.

Copper—Sept. 56.00 (56.50). Oct. 56.20 (56.70). Nov. 56.80. Dec. 57.30 settlements. Sales: 2,331 lots.

Cotton—Oct. 51.25 (same). Dec. 52.12-52.25 (52.15). March 52.94. May 53.40. July 53.95 bid. Oct. 54.16-54.30. Dec. 54.47-54.35. Sales: 2,650.

ΦGold—Sept. 149.30 (150.30). Oct. 149.50 (151.00). Nov. 150.80. Dec. 151.80. Feb. 154.20. April 156.60. June 159.00. Aug. 161.40. Oct. 163.50. Dec. 166.20 settlements. Total sales: 3,965 lots.

Greasewool—Spot 155.0 nom. (same). Oct. 155.0-163.0 (same). Dec. 154.0-160.0 (same). March 151.5-157.0. May 157.0. [illegible]

[illegible]

*Soyabeans—Sept. 544-545 (547). Nov. 550-552 (554½). Jan. 562-561. March 569-570. May 578. July 583. Aug. 583½.

ßSoyabean Meal—Sept. 135.50-135.80 (137.80). Oct. 135.00-134.50 (136.40). Dec. 137.50-137.00. Jan. 139.50. March 143.50.

Soyabean Oil—Sept. 22.75-22.80 (22.70). Oct. 22.60-22.50 (22.42). Dec. 22.10-22.20. Jan. 22.00. March 21.95. May 21.55. July 21.75. Aug. 21.65.

Sugar—Spot 15.85 (16.60). Oct. 15.90-15.91 (16.40-16.50). Jan. 15.50 (16.20). March 15.25-15.25. May 15.14-15.15. July 15.00. Sept. 14.85 nom. Oct. 14.75. Sales: 2,802 lots.

[illegible] July 415-416.

Tin—305.00-317.00 nom. (364.5 nom.).

**Wheat—Sept. 406-408½ (406½-409). Dec. 422-421 (422½-423½). March 432-433½. May [illegible]

WINNIPEG, September 9. ††Rye—Oct. 312 (316). Dec. 287 bid (294½). May 292 bid. July 292 nom.

‡Oats—152½ bid (155 bid). Dec. 149½ asked (149½). May 151½ asked.

Barley—Oct. 237½ bid (246 asked). Dec. 232½ (239½ asked). May 235½ bid.

Flaxseed—Oct. 750 (772 bid). Nov. 751½ asked (756 asked). Dec. 723 asked. May 710 nom.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 560¾ (561½).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. Φ $'s per troy ounce—100-ounce lots. † Chicago loose $'s per 100 lbs—Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡ $'s per troy ounce for 50-ounce units of 99.5 per cent. purity delivered NY. ** Cents per 60-lb bushel in store. †† Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. b Cents per 24-lb bushel. § Cents per 48-lb bushel ex-warehouse. 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000-bushel lots.

★

COPRA—Philippines. Sept. and Oct. $232 and Nov. $235 per tonne c.i.f. North European ports resellers.

STOCK EXCHANGE REPORT

Equities recover after an early bout of dullness

Index up 1.2 at 320.3, after 313.7—Golds down

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Aug. 22	Sep. 4	Sep. 5	Sep. 16
Sep. 8	Sep. 18	Sep. 19	Sep. 30
Sep. 22	Oct. 2	Oct. 3	Oct. 14

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Leading Equities made a good recovery after a fresh early setback yesterday. The marked rise in British industry's raw material and fuel costs coupled with some nervousness about a further dose of nationalisation folowing endorsement of the Labour Party's industrial policy set the seal for the reaction at the opening. However, initial falls in leading industrials, ranging to 5 and occasionally more, were gradually erased and replaced by small improvements in some cases by the end of the day. Down 5.4 at 11 a.m., the FT 30-share index finished a net 1.2 higher at 320.3. Although the turnround was largely technical, it was helped to a certain extent by news that the plan to keep New York city solvent had been approved—this helped to calm fears of a possible sharp upturn in U.S. interest rates.

Second-line equities had little to offer in the way of features, although bid situations, rumoured and actual, provided some interest. Overall, the trend was rather mixed; falls led gains by about 3-2 in FT-quoted Industrials and the FT Actuaries All Share index eased a shade further to 138.48. Official markings of 5,140 compared with 5,404 on Monday and 5,453 a week ago.

Gilts mark-time

The Bank of England's opposition to any further lowering for the moment in U.K. interest rates brought a tentative reaction in British Funds. Quotations were marked down ¼ throughout the list, but in the absence of any selling activity, they reverted to overnight list levels before the shorts finally eased, possibly affected by the Central Government borrowing requirement. The temporary solution to the City of New York's financial problems and its effect on short-term interest rates there was not really a market influence.

An extension of Monday's recovery in the investment currency premium saw rates initially move up to 99½ per cent. But, at this level, fresh small offerings were attracted and a reaction ensued which left the premium unaltered on balance at 96¾ per cent. Yesterday's SE conversion factor was 0.6208 (0.6254).

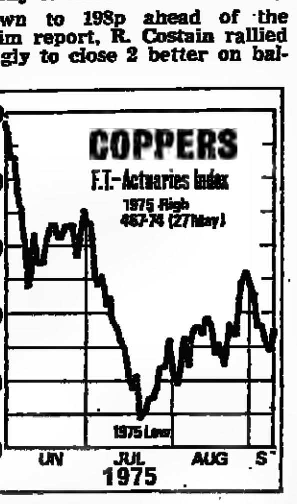
"Royals" down again

"Rights" issue worries continued to weigh on "Royals" which cheapened 4 more to 288p for a two-day loss of 16. Other Composite issues eased in sympathy but generally closed above the day's lowest. Ahead of the respective interim announcements to-day, Guardian Royal Exchange shed 5 to 182p, after 181p, and Phoenix eased 2 to 212p, after 298p. Eagle Star (interim results due next Wednesday) gave up 3 to 115p, after 114p, while losses of 5 were seen in Commercial Union, 143p, and Sun Alliance, 400p. Among Life issues, Pearl cheapened 2 more to 202p.

Little interest was shown in home Banks which generally rallied from initial dullness to close narrowly mixed. Midland closed 3 harder at 258p, after 250p, but Lloyds receded 2 to 218p, after 213p. Barclays, 270p, after 260p, and National Westminster, 218p, after 215p, both closed unchanged. Overseas issues took a turn for the better with National Bank of Australasia notable at 243p, up 13. Among soft Merchant banks, Guinness Peat eased 3 to 155p in front of to-day's results. Down 4 on Monday following news of Mr. Tony Buckley's departure, Slater Walker eased a penny more to 55p.

Little of interest took place in Breweries and kindred trades which closed narrowly mixed after a small turnover. Whitbread "A" eased 1½ to 60½p, while Allied retrieved an early loss of a penny to close unaltered at 64p.

Down to 198p ahead of the interim report, R. Costain rallied strongly to close 2 better on balance at 212p on the profit and dividend forecast. Other Buildings picked up from a dull start and closed little changed.



ICI remained a dull market, falling 6 more to 265p for a two-day loss of 14. Revertex shed 2 to 59p on further consideration of the interim statement, while other dull spots took in Laporte, 3 off at 72p, and Fisons, 5 cheaper at 373p.

Television Contractors had an easier bias, HTV closing a penny cheaper at 21p and ATV "A" 3 off at 42p.

Stores erratic

Stores closed with modest mixed movements after a reasonable business. Marks and Spencer were finally 2 cheaper at 103p, after 102p, and "Gussies" 'A' 3 off at 176p, after 174p. Awaiting to-day's preliminary figures, Amber Day and Preferred closed 2 better at 32p and 42p respectively. Sharply higher first-half profits left Audiotronic a penny harder at 48p, after 46p, while Hepworth 'B' were raised 3 to 36p. Of the dull spots, Dixon's Photographic shed 2 to 43p and Austin Reed 'A' lost 3 to 33p.

Business remained thin in leading Electricals, but after going moderately easier prices picked up to show small gains on balance. GEC closed 3 firmer at 124p, after 120p, and EMI 2 up at 184p, after 178p. Reyrolle Parsons ended a penny firmer at 53p awaiting Friday's half-time results. Philips' Lamp moved up 12 to 888p, while Thorn Electrical recorded a net rise of 6 at 200p, after 190p. Elsewhere, BSR 65p, recouped 2 of the recent loss, the interim results are expected next Wednesday. British Electronic Controls shed a penny to 9p.

Leading Engineerings regained initial losses to close marginally higher in places. Hawker came under renewed pressure early and touched 288p before closing unaltered on balance at 296p, while GKN ended fractionally better at 217p, after 211p. Vickers made some improvement to 133p, up 3p, and John Brown retrieved 2, at 50p. Among secondary issues the tone was mixed and while Automatic-Oil gained 4½ to 42p, Hill and Smith lost 5 to 60p. Babcock and Wilcox remained active, regaining an early fall of 3 to close that much higher on the day at 115p. Braithwaite were raised 4 to 80p, but Head Wrightson lost recent firmness to finish 3 down at 22½p. Comment on the good first-half results failed to inspire Simon, unchanged at 103p, but J. Saville Gordon improved 1 to 25p after the preliminary figures.

After Monday's fall of 12 in line with the general trend, British Sugar rallied 7 to 320p despite the company's forecast of a sharp reduction in this season's beet crop. St. Kitts (London) improved 7 to 105p to the accompaniment of vague bid rumours, while Danish Bacon "A," interim results expected next Wednesday, moved up 4 to 110p. Watson and Philip were lowered 4 to 76p.

Following adverse Press mention, J. Lyons "A" touched 132p before finishing 4 cheaper on the day at 134p. Leisure and General gave up a penny at 34p following Press comment on the results.

Miscellaneous Industrial leaders continued to attract only a small business, but prices generally recovered from early fresh dullness to close a little firmer on the day. After reacting further at 300p, Reckitt and Colman improved to 310p for a net rise of 4 in response to the half-year profits increase which came well up to market expectations. Glaxo ended 4 firmer at 380p, after 368p, while gains of 2 were registered in Bowater, 154p, after touching extremes of 147p and 156p, Unilever, 370p, after 362p, and Pilkington, 240p, after 233p. Beecham were a shade down on balance at 300p, after having moved between 294p and 302p. Elsewhere, Esperanza showed satisfaction with the profits advance and rose 6 to 76p. Nairn Williamson found fresh support and improved similarly to 92p awaiting news of the bid negotiations with Low and Bonar, unchanged at 158p. Steetly hardened 3 to 98p ahead of to-day's interim statement, while Marshall's Universal, still helped by Press comment, added another 2 at 110p. Cape Industries, with half-time results due October 7, gained 4 to 106p and George M. Whiley closed 3 up at 48p, after 50p.

There was a fair amount of activity in Norcros in ex "rights" form; the old shares reacted to 51p before closing a net 2 down at 55p, while the new nil-paid, after opening at 14p, declined to 10p before rallying well to end at 16p.

Business in Motors and Distributors remained at a low level and share prices stayed close to the overnight levels, but Pride and Clarke retreated 7 to 135p in Garages where Caffyns, 60p, and Dorada, 21p, shed 3 and 1½ respectively.

A slightly easier tendency in Paper/Printing was eventually reversed and DRG closed a shade harder at 94p, after 92p. Newspapers also steadied in the later business; Thomson settling 2 up on the day at 177p.

Following a fresh setback in the early stages, leading Properties encountered a few sizeable buying orders and rallied to close narrowly mixed on balance. Land Securities were finally 2 better on the day at 170p, after 163p, and Amalgamated Investment and Property a fraction harder at 32p, after 30½p. MEPC recouped an initial loss of 4 to end unchanged at 78p. Secondary issues were inclined easier, although Imry recovered 5 to 210p and McInerney put on 2 to 23p. Glanfield Securities lost 10 to 155p in a limited market, while Property and Reversionary "A" declined 5 to 153p. Dorrington Investments, 20p, relinquished 1p of the previous day's rise of 3½ which reflected bid hopes. The results left Land Investors unmoved at 72p.

BP unsettled

The Shah of Iran's reiterated warning of a rise in the price of oil cast its shadow over share prices in the sector to leave a decidedly mixed showing. British Petroleum were additionally affected by Sohio's deferment of the proposed Common stock offering until clarification of shipping problems regarding the carrying of equipment to Prudhoe Bay, Alaska, and in the late trading BP reacted to 520p for a net loss of 15. Shell, on the other hand, regained an early fall of 4 to close 2 harder on balance at 336p, while revived demand arose for Burmah, which finally gained 3 to 34p. Of secondary issues, Ultramar eased 2 to 184p, Berry Wiggins were similarly cheaper at 66p and British-Borneo 4 lower at 132p. The extended early rally in the investment currency premium brought a change of fortune for Royal Dutch, which recovered ¾ to £28.

Overseas Traders again displayed an easier bias. Paterson Zochonis receded 10 to 340p and Inchcape 5 to 380p, but Mitchell Cotts managed an improvement of 2 to 55½p and Wm. Jacks hardened 1 to 8p.

Floreat Investments stood out in Trusts, rising 16 to a 1975 high of 46p on news that Mr. Tony Buckley, ex-managing director of Slater Walker Securities, is planning to take control. Elsewhere, a mixed trend was evident with capital shares particularly dull. Dualvest shed 9 to 127p and Derby 5 to 102p, while New Throgmorton eased 4 to 36p. In quiet Financials, Challenge Corporation hardened 7 to 124p.

After a slow start, business in Shippings picked up as the day progressed and prices closed firmer for choice after a reasonable turnover. Persistent speculative demand helped Furness Withy rise 8 more to 249p, while Press comment on the better-than-expected half-year figures took Ocean Transport 3½ higher to 100½p. Felixstowe Dock improved 2 to 78p in front of to-day's preliminary results. P and O Deferred closed unaltered at 88p, after 85p.

A squeeze on bear positions accounted for a strong rally in Courtaulds which recovered from 124p to close 2 harder on balance at 130p, after 132p. Elsewhere in Textiles, John Haggas were lowered 10 to 200p in a restricted market.

Tobacco leaders closed mixed after a light trade. Imps rallied from initial softness to finish 1½ dearer at 73½p, while Bats ended 2 down at 293p, after 285p.

Greatermans 'A' improved 10 to 425p in belated response to the record results.

On the appearance of a buyer, Consolidated Tea and Lands were marked up 15 to 200p. Elsewhere in Teas, Mcleod Russel hardened 3 more to 85p in a thin market. Longbourne, on the other hand, receded that much to 67p. Rubbers closed mixed after a light trade. Guthrie cheapened 4 to 153p but Bradwall edged forward a penny to 64p, after 67p.

Gold index below 300

A fresh setback in the bullion price sent the Gold Mines index below the 300 level; it gave up 12.4 at 299.4, its lowest since January 24. The metal price fell to $146.5 per ounce at one time, compared with $148.75 on Tuesday of last week following the IMF decision to sell gold on the free market, but rallied to end the day a net $3 off at $148.75, the lowest since September 27 last year.

The decline in the metal price prompted offerings of stock from all quarters which met with an unreceptive market. Prices fell throughout the day, ending at the lowest but looking a little steadier in after-hours trading in line with the metal's recovery.

Losses ranged to £1½ in Vaal Reefs (£24½) while West Drie. gave up £1½ at £37½. Of the lower priced issues Durban Deep were 30 off at 600p.

Financials were unsettled by the weakness in Golds which outweighed the effects of a firmer investment premium and U.K. Industrial market. "Amgold" fell £1½ to £34½ and Selection Trust were 10 down at 505p. Union Corporation, whose increased half-year profits became known in late dealings, were 5 off at 495p.

Platinums fell owing to Cape offerings, especially of Potgietersrust which were 8 down. Reflecting higher home overnight and the firmer [illegible] Australian issues were [illegible] where changed with [illegible] mental 10 to the good [illegible]

Following the London [illegible] at which lower royalty [illegible] to date in the current [illegible] Western Mining were [illegible] along with disappointing [illegible] from North Sea [illegible] Hampton Areas fell 4 to [illegible]

Tins were a shade lower [illegible] changed. Coppers were [illegible] tested except Messina which [illegible] up 10 to 345p following [illegible] production curtailment [illegible] South African mine.

FINANCIAL TIMES STOCK INDICES

	Sept. 9	Sept. 8	Sept. 5	Sept. 4	Sept. 3	[illegible]
Government Secs.	61.37	61.33	61.65	61.66	61.50	[illegible]
Fixed Interest	60.88	60.68	61.19	61.16	61.04	[illegible]
Industrial Ordinary	320.3	319.1	327.3	329.3	320.3	[illegible]
Gold Mines	299.4	311.8	318.4	321.2	[illegible]	[illegible]
Ord. Div. Yld.	6.47	6.49	6.33	6.26	[illegible]	[illegible]
Earnings Yld. % (full)	18.00	18.06	17.61	18.11	[illegible]	[illegible]
P/E Ratio (net)	7.85	7.86	8.06	7.87	7.66	[illegible]
Dealings marked	5,140	5,404	5,512	4,461	4,328	[illegible]
Equity turnover £m.	—	48.29	67.40	62.85	40.15	[illegible]
Equity bargains total	—	12,655	14,004	13,248	10,588	[illegible]

10 a.m. 314.2. 11 a.m. 313.7. [illegible] 2 p.m. 317.3. 3 p.m. 319.1.
Latest Index 01-246 8026.
(a) Based on 52 per cent. corporation tax. (b) Nil=7.36. [illegible]
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54 (30/5)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.31 (21/3)	50.63 (3/1)	150.4 (28/11/47)	50.63 (3/1/75)
Ind. Ord.	365.5 (5/6)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	280.2 (20/1)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Sept. 9	[illegible]
Daily—		
Gilt-Edged	144.3	[illegible]
Industrials	179.3	[illegible]
Speculative	40.3	[illegible]
Totals	117.3	[illegible]
5-day Av'ge		
Gilt-Edged	158.3	[illegible]
Industrials	156.4	[illegible]
Speculative	52.1	[illegible]
Totals	114.3	[illegible]

Guernsey cu[illegible] out town ga[illegible]

By Our Guernsey Corre[illegible]

IN COMMON with other [illegible] in areas remote from so[illegible] natural gas, the Guerns[illegible] Light Company has de[illegible] phase out its present [illegible] produced from imported [illegible]

Company officials [illegible] that the decision had to [illegible] because appliance manuf[illegible] plan to produce only [illegible] gas" equipment. By the [illegible] 1976, the Guernsey comp[illegible] have spent over £500,0[illegible] ling a new plant and co[illegible] some 23,000 appliances of [illegible] 10,000 customers to the [illegible] supply.

The company's 400 [illegible] holders have been advi[illegible] the conversion costs, [illegible] appliance modifications [illegible] met through an issue [illegible] shares. The company [illegible] announced price incre[illegible] around 15 per cent. in [illegible] January, following a 14 [illegible] wage settlement in Ju[illegible] per cent. increase in the [illegible] butane and other higher [illegible]

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS
GROUPS & SUB-SECTIONS
Figures in parentheses show number of stocks per section.

	Equity groups	Tues. Sept. 9, 1975 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Monday Sept. 8 Index No.	Friday Sept. 5 Index No.	Thurs. Sept. 4 Index No.	Wed. Sept. 3 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	117.55	−0.2	19.67	6.88	7.59	7.58	117.91	119.64	118.77	117.60	75.26	131.26 (6/6)	51.78 (6/1)	206.37 (4/5/72)	15.70 (13/12/74)
2	Building Materials (30)	109.62	−0.7	16.61	7.25	9.61	9.60	110.61	113.11	113.23	109.92	71.65	117.40 (22/4)	46.11 (6/1)	253.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	218.94	−0.5	16.45	4.21	9.17	9.17	219.64	221.62	219.91	212.99	110.94	251.61 (23/4)	74.74 (6/1)	389.35 (13/6/72)	71.48 (12/12/74)
4	Electricals (17)	210.90	+0.1	19.52	5.50	7.61	7.59	210.74	214.57	217.89	213.77	142.05	234.64 (6/6)	98.49 (3/1)	350.04 (4/5/72)	84.71 (25/6/66)
5	Engineering (Heavy) (13)	145.06	−0.2	23.21	7.49	5.56	5.56	145.43	147.09	144.85	141.82	92.79	159.79 (22/4)	64.39 (2/1)	202.57 (6/6/73)	64.39 (2/1/75)
6	Engineering (General) (63)	100.30	—	21.98	8.20	6.75	6.75	100.54	101.69	101.35	100.47	64.51	117.40 (6/6)	45.43 (6/1)	168.59 (4/5/72)	45.43 (6/1/75)
7	Machine and Other Tools (9)	39.78	−0.2	19.60	10.36	6.31	6.31	39.84	40.40	40.60	40.21	28.71	48.98 (20/6)	20.11 (2/1)	136.70 (4/7/65)	19.96 (12/12/74)
8	Miscellaneous (24)	101.85	−0.5	24.16	7.66	6.19	6.19	102.39	102.51	101.76	101.16	68.12	121.76 (6/6)	49.65 (6/1)	177.41 (27/4/72)	49.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (57)	92.53	−0.3	19.56	6.67	7.54	7.52	92.85	94.56	95.95	92.11	59.66	94.56 (5/9)	38.59 (6/1)	237.78 (21/4/72)	38.59 (6/1/75)
10	Electronics, Radio TV etc. (15)	111.79	+0.3	17.53	4.78	8.39	8.38	111.50	114.17	113.57	111.10	66.52	114.17 (5/9)	44.28 (6/1)	257.41 (19/6/72)	42.85 (12/12/74)
11	Household Goods (15)	136.70	−0.6	16.82	7.50	7.71	7.71	137.56	139.52	137.56	136.01	94.52	146.90 (25/4)	64.55 (6/1)	263.22 (4/5/72)	63.92 (17/12/74)
12	Motors and Distributors (27)	46.69	−1.5	25.11	10.00	5.21	5.15	47.30	47.80	47.52	46.64	35.35	50.91 (6/6)	19.91 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	130.60	−0.3	15.31	6.48	9.44	9.38	131.02	133.92	134.49	131.79	81.71	146.46 (6/6)	61.98 (6/1)	226.08 (16/3/72)	61.41 (13/12/74)
14	Breweries (16)	148.05	−0.9	15.45	6.67	11.26	11.26	149.51	152.07	153.08	150.06	94.64	165.83 (6/6)	75.58 (6/1)	281.87 (28/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	132.12	−0.1	14.75	7.69	10.24	10.24	132.20	134.47	134.92	133.41	109.80	177.94 (9/7)	80.42 (6/1)	257.40 (13/7/72)	76.88 (13/12/74)
16	Entertainment, Catering (16)	148.42	−0.9	14.07	7.56	11.05	10.47	149.72	152.55	154.12	151.51	76.46	158.44 (27/6)	55.38 (6/1)	329.99 (12/12/72)	54.85 (9/1/75)
17	Food Manufacturing (22)	141.15	−0.5	14.56	5.74	9.44	9.40	141.62	145.95	146.54	142.84	77.89	156.57 (6/6)	62.03 (2/1)	211.66 (1/6/72)	59.77 (11/12/74)
18	Food Retailing (16)	152.47	−1.0	11.05	4.85	12.97	12.97	155.76	156.86	159.55	154.89	74.99	169.17 (4/6)	57.15 (2/1)	235.08 (15/3/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	129.95	−0.6	15.95	7.50	9.56	9.56	130.98	132.46	130.97	130.44	97.03	152.14 (6/6)	55.08 (6/1)	260.29 (15/1/73)	55.08 (6/1/75)
20	Packaging and Paper (13)	85.60	−1.4	25.52	8.59	5.68	5.69	86.81	88.57	89.04	87.41	60.46	107.12 (20/5)	43.46 (6/1)	155.69 (25/4/73)	43.46 (6/1/75)
21	Stores (31)	112.69	−0.2	[illegible]	5.79	11.90	11.90	112.92	115.87	117.17	114.60	70.02	132.94 (20/5)	52.63 (6/1)	204.39 (16/3/72)	52.63 (6/1/75)
22	Textiles (23)	139.01	+2.5	24.61	7.70	4.86	4.74	135.62	138.83	139.06	134.47	98.15	145.07 (27/5)	62.91 (6/1)	253.72 (17/9/63)	62.66 (11/12/74)
23	Tobacco (3)	189.51	−0.6	17.88	7.11	8.61	8.51	190.75	196.90	192.57	189.10	120.93	199.16 (10/3)	109.92 (6/1)	339.16 (2/8/72)	94.34 (13/6/62)
24	Toys and Games (6)	51.10	−0.4	26.64	7.09	5.20	5.20	51.28	50.92	49.35	47.47	29.78	51.28 (8/9)	20.92 (6/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (92)															
25	Chemicals (24)	169.47	−0.6	15.69	5.64	8.41	8.41	170.56	176.16	173.51	168.84	101.86	189.17 (6/6)	75.14 (6/1)	201.92 (31/1/69)	71.20 (11/12/74)
26	Office Equipment (10)	81.61	−0.6	16.55	6.38	8.27	8.27	82.14	82.64	81.75	80.79	67.02	104.76 (17/4)	46.34 (2/1)	246.06 (1/9/72)	45.34 (2/1/75)
27	Shipping (12)	356.74	+1.0	25.48	7.12	5.06	4.90	355.25	353.25	356.46	328.29	247.43	401.84 (10/3)	194.38 (6/1)	517.00 (5/12/72)	90.80 (29/6/62)
28	Miscellaneous (46)	134.68	−0.3	19.96	7.47	7.35	7.34	135.07	138.89	138.54	136.75	90.75	153.58 (6/6)	60.39 (6/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	128.52	−0.5	17.30	6.55	8.57	8.53	128.94	131.71	131.64	129.15	82.02	143.48 (6/6)	59.19 (6/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	295.67	−0.9	17.01	6.26	6.57	5.88	298.37	306.59	305.52	300.86	161.31	306.59 (5/9)	105.83 (2/1)	431.66 (29/5/69)	87.23 (29/6/62)
31	500 SHARE INDEX	142.59	−0.4	17.25	6.34	8.01	7.51	142.99	146.19	146.04	143.54	88.77	156.14 (6/6)	65.49 (6/1)	227.95 (14/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	125.38	—	—	5.72	—	—	126.34	128.90	129.80	127.56	82.04	148.46 (20/5)	56.50 (6/1)	241.41 (11/4/72)	55.88 (13/12/74)
33	Banks (6)	147.65	+0.3	19.99	5.42	7.66	7.56	147.52	150.55	152.46	147.66	86.97	177.11 (5/6)	62.36 (2/1)	288.32 (20/7/72)	62.44 (12/12/74)
34	Discount Houses (9)	152.39	−0.5	—	7.94	—	—	152.59	152.23	155.39	150.28	105.12	169.27 (7/5)	54.15 (6/1)	293.13 (3/7/73)	81.40 (10/12/74)
35	Hire Purchase (5)	90.17	+0.5	20.07	9.36	7.15	6.56	89.75	89.87	90.28	91.05	79.64	134.39 (10/3)	42.81 (6/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	105.61	—	—	6.46	—	—	105.65	109.31	110.16	109.20	66.81	127.97 (25/4)	44.88 (2/1)	194.46 (15/3/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	102.55	+0.1	—	6.48	—	—	102.22	106.40	107.45	106.15	69.14	123.90 (20/5)	44.47 (2/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (6)	190.34	−0.4	10.62	4.57	15.99	15.99	191.18	194.51	193.66	193.17	100.05	211.50 (20/5)	68.96 (7/1)	262.57 (12/12/73)	65.86 (16/12/74)
39	Merchant Banks (19)	80.98	−0.8	—	6.64	—	—	81.37	82.71	82.58	81.85	57.92	94.97 (7/5)	31.21 (7/1)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (32)	165.42	−0.1	[illegible]	3.86	44.78	42.53	163.55	167.80	166.48	165.12	140.34	241.22 (22/3)	88.19 (7/1)	357.40 (9/11/73)	66.01 (20/4/65)
41	Miscellaneous (5)	65.88	—	17.71	10.41	6.52	6.23	63.88	65.25	64.56	64.75	55.66	75.78 (25/4)	34.78 (10/1)	303.13 (15/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	153.06	−1.4	3.24	4.66	30.89	30.87	155.15	157.47	157.28	156.94	94.06	178.53 (6/6)	73.45 (6/1)	245.79 (25/4/72)	71.62 (13/12/74)
43	ALL-SHARE INDEX (650)	138.48	−0.4	—	6.12	—	—	139.02	142.22	142.30	139.84	87.05	154.09 (6/6)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	406.13	−1.0	13.84	8.11	10.61	10.43	410.14	411.27	407.83	408.82	326.54	526.43 (23/6)	281.56 (2/1)	555.37 (25/7/73)	84.68 (25/8/65)
45	Teas (10)	102.01	+1.1	40.16	10.25	3.58	3.46	100.86	100.86	100.51	100.51	68.45	104.15 (16/7)	76.76 (10/1)	121.47 (1/5/72)	59.72 (17/10/74)
46	Coppers (3)	375.24	+1.7	52.33	20.13	1.91	1.91	368.92	372.08	375.65	375.65	326.62	467.74 (27/5)	349.52 (22/7)	567.78 (12/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	116.81	−0.2	10.49	4.29	10.47	10.47	116.99	117.78	117.56	117.19	80.62	141.34 (30/5)	80.56 (22/1)	175.90 (28/4/69)	66.31 (30/9/74)
48	Tins (8)	92.85	−1.8	10.96	9.26	11.73	10.07	94.54	96.07	95.35	94.40	73.78	114.49 (3/6)	58.91 (8/1)	128.43 (12/1/73)	54.83 (27/5/71)
49	Overseas Traders (13)	206.66	+2.2	16.80	4.79	7.62	7.61	202.15	210.98	211.04	209.72	—	252.23 (20/6)	97.37 (6/1)	252.23 (20/6/75)	97.37 (6/1/75)

	FIXED INTEREST	Tues. Sept. 9 Index No.	Tues. Sept. 9 Yield %	Monday Sept. 8	Friday Sept. 5	Thurs. Sept. 4	Wed. Sept. 3	Tues. Sept. 2	Mon. Sept. 1	Friday August 29	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	13.94	14.04	13.92	13.92	13.91	13.91	13.90	13.98	15.22	—	—	—	—
2	20-yr. Govt. Stocks (6)	50.81	‡12.82	50.84	51.23	51.27	51.00	51.01	*50.97	50.41	46.90	55.09 (20/3)	38.37 (3/1)	115.42 (11/9/55)	38.37 (3/1/75)
3	20-yr. Red. Deb. & Loans (15)	47.63	‡15.47	48.12	48.17	48.06	47.99	47.76	47.74	47.95	42.12	50.68 (21/3)	37.01 (3/1)	113.43 (23/10/63)	37.01 (3/1/75)
4	Investment Trusts Prefs. (15)	46.24	14.95	46.28	46.58	46.53	46.53	46.53	46.58	46.58	38.29	47.30 (23/7)	35.35 (3/1)	114.41 (13/9/63)	34.45 (4/12/74)
5	Coml. and Indl. Prefs. (20)	66.01	14.46	65.10	65.56	65.39	65.37	65.54	65.55	65.61	53.16	68.02 (6/8)	48.35 (3/1)	114.96 (7/10/63)	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	16/1/70	144.76	Insurance Brokers	29/12/67	96.67
Toys and Games	16/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	16/1/70	162.76	All Other	10/4/62	100.00
Industrial Group	31/12/70	128.20			

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p. By inland post 18p. Commonwealth: 18p. Foreign 22p. * Corrected.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
ICI	£1	17	265	−6	302	118
BPB Ind. "New"	Nil/pd.	14	43*	+1	45*	32*
Shell Transport	25p	12	336	+2	345	118
BP	£1	11	520	−15	555	190
Bowater	£1	9	154	+2	175	50
Marks & Spencer	25p	9	103	−2	128	47½
Midland Bank	£1	9	258	+3	305	122
Royal Insurance	25p	9	288	−4	339	125
Commercial Union	25p	8	143	−5	194	72
Courtaulds	25p	8	130	+2	140	53
European Ferries	25p	8	66	—	69	25
GEC	25p	8	124	+3	133	51
Hanson Trust	25p	8	111	+2	113	41
Metal Box	£1	8	232	−4	286	109½
Natl. Westminster	£1	8	218	—	375	88

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e)
* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Sep. 2	Sep. 15	Nov. 27	Dec. 9
Sep. 16	Sep. 29	Dec. 11	Dec. 23
Sep. 30	Oct. 13	Dec. 23	Jan. 8

"Calls" were dealt in National Westminster Bank warrants, Consolidated Gold Fields, MEPC, ICI and English China Clays. No "puts" were reported, while "doubles" were arranged in BP, National Westminster Bank warrants, Inveresk, F. W. Woolworth and Amalgamated Investment.

Industrials		Grand Met.	7	Slater Walker	9	Mines	
A. P. Cement	[illegible]	G.U.S. 'A'	[illegible]	Spillers	[illegible]	Anglo Amer.	[illegible]
Assoc. Leisure	[illegible]	Guardian	[illegible]	Tesco	[illegible]	Broken Hill Pty.	[illegible]
Barclays Bank	[illegible]	G.K.N.	[illegible]	Thorn "A"	[illegible]	Charter Cons.	[illegible]
Beecham	[illegible]	Hawker Sidd.	[illegible]	Tube Invest.	[illegible]	Chart'd Fin.	[illegible]
Boots Drug	[illegible]	House of Fraser	[illegible]	Unilever	[illegible]	Cons Gold	[illegible]
Bowater	[illegible]	Hudson	[illegible]	Utd. Drapery	[illegible]	De Beers Def.	[illegible]
B.A.T.	[illegible]	I.C.I.	[illegible]	Vickers	[illegible]	F. S. Geduld	[illegible]
British Leyland	[illegible]	"Imps"	[illegible]	Woolworths	[illegible]	Great Boulder	[illegible]
BOC Int.	[illegible]	I.C.L.	[illegible]			Hampton Areas	[illegible]
Burton 'A'	[illegible]	Inveresk	[illegible]	Property		Hampton Prop.	[illegible]
Cadburys	6	Lloyds Bank	22	E.P.	8	Kloof	140
Courtaulds	12	"Lots"	5	Int. Europe	5	Lonrho	13
Debenhams	8	"Mams"	6	Land Securities	18	Loraine	55
Distillers	15	Marks & Sp'ncer	11	Peachey	6	Metals Explor.	8
Dunlop	5½	Midland Bank	25	Town & City	4½	Poseidon	55
Eagle Star	15	Nat'l West Bank	22	Town & Comm.	4	Pres. Steyn	275
E.M.I.	17	P & O Dfd.	10			Rio T. Zinc	20
First National	2	Plessey	8	Oils		Welkom	55
G.R.A. Trust	4	R.H.M.	6	Brit. Petroleum	45	West Areas	75
Gen. Accident	16	Rank Org. 'A'	17	Burmah Oil	5	Western M'ng	18
Gen. Electric	15	Reed Int'l	25	Shell	30	Zambia Copp.	10
Glaxo	40			Ultramar	21		

NEW HIGHS AND LOWS FOR 1975

The following securities (numbers in parentheses) among those quoted in the Share Information Service yesterday attained new highs and lows for 1975.

NEW HIGHS (11)

AMERICANS (1)
U.S. Steel
CANADIANS (1)
Bow Valley
BEERS (1)
Bertorelli
DRAPERY & STORES (1)
Amber Day Pfd.
ENGINEERING (1)
Braithwaite
INDUSTRIALS (3)
Mitchell Somers
Plastoprint
Watson (R. K.)
TRUSTS (1)
Floreat Inv.
MINES (1)
Padang

NEW LOWS (23)

DRAPERY & STORES (1)
Polly Peck
ENGINEERING (1)
Brooke Tool
PROPERTY (1)
Lyndale
RUBBERS (1)
Bradwall
TEAS (1)
McLeod Russel
MINES (18)
Durban Deep, Libanon, East Rand Prop., Southvaal, West Rand, Stilfontein, Grootvlei, Ventersdorp, Marievale, F.S. Saaiplaas, South African Land, Loraine, Vlakfontein, Welkom, Wit. Nigel, General Mining, Doornfontein, Gold and Base

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	3	6	69
Corpns. Dominion and Foreign Bonds	5	12	56
Industrials	262	390	1,127
Financial and Prop.	46	173	388
Oils	7	7	19
Plantations	3	5	40
Mines	14	75	64
Recent Issues	4	11	30
Totals	327	669	1,764

BASE LENDING RATES

AFI International
Allied Irish Banks Ltd.
Anglo-Portuguese Bank
Henry Ansbacher
Banco de Bilbao
Banque du Rhone
Bank of Cyprus
Banque du Rhone
Barclays Bank
Barnett Christie Ltd.
Bremar Holdings Ltd.
Brit. Bank of Mid. East
■ Brown Shipley
Cayzer, Bowater Co. Ltd.
Cedar Holdings
■ Charterhouse Japhet
C. E. Coates
Consolidated Credits
Continental Trade
Co-operative Bank
Copleys Bank
Corinthian Securities
Credit Lyonnais
C. R. Dawes
Duboff Brothers
Duncan Lawrie
English Transcont.
First London Secs.
■ Antony Gibbs
Goode Durrant Trust
Greyhound Guaranty
Grindlays Bank
■ Guinness Mahon
■ Hambros Bank
Hawtin & Partners
■ Hill Samuel
C. Hoare & Co.
Julian S. Hodge
Industrial Bank of Scot.
Jacobs, Kroll
Keyser Ullmann
Knowsley & Co. Ltd.
Lloyds Bank
London & European
London Mercantile
Midland Bank
■ Samuel Montagu
■ Morgan Grenfell
National Westminster
Northern Comm. Trust
Norwich General Trust
Portman Guaranty
P. S. Refson & Co.
Rossminster Accept'cs
Royal Trust of Canada
Schlesinger Limited
E. S. Schwab
Security Trust Co. Ltd.
Shenley Trust
Standard & Chartered
Sterling Credit
Thames Guaranty
Trade Development Bk.
Twentieth Century Bk.
United Bank of Kuwait
Wallace Brothers Bank
Whiteaway Laidlaw
Williams and Glyn's
Yorkshire Bank

■ Members of the Accepting Committee.
* 7-day deposits 6½%. 1-month 6¾%.
† 7-day deposits on sums of £10,000 and under 6½%, up to £25,000 7%, over £25,000 7¼%.
‡ Deposit Base Rate 9½%.
§ Demand deposit 7½%.

CORAL INDEX
Close 317-322

I.G. INDEX
GOLD 147½-150½

INSURANCE BASE RATES

† Atlantic Assurance ... 11
Cannon Assurance ... 9
† Address shown under Insurance and Property Bond table.

MONEY MARKET

Further shortage

Bank of England Minimum Lending Rate 11 per cent.
(since July 25, 1975)

Day-to-day credit remained in short supply in the London money market yesterday although Discount houses managed to balance their books without official intervention. The market was helped by an access of Government disbursements over revenue transfers to the Exchequer but this was offset by an increase in the note circulation and small repayments of yesterday's advances made by the authorities.

Discount houses 10¼-10½ per cent. for secured call loans at the start, but by the close rates were in the region of 10-11 per cent. In the inter-bank market overnight loans opened around 10-10½ per cent. and at noon rates commanded 10½-10¾ per cent. before rising sharply during the afternoon to close in the region of 15 to 30 per cent.

Short-term fixed period interest rates were slightly firmer throughout with the two-month sterling certificate yield rising to 10 7/16-10 9/16 from 10⅜-10½ per cent., the six-month 10 11/16-10 13/16 from 10⅝-10¾ per cent., and the one-year 10 15/16-10¾ per cent. against 10 11/16-10 13/16 per cent.

Rates in the table below are nominal in some cases.

Sept. 9 1975	Sterling Certificates of deposits	Interbank	Local Authority deposits†	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ф	Bank bills ф	Fine trade bills ф
Overnight	—	9⅞-10½	—	—	—	10-11	10-10½	—	—	—
2 days notice	—	—	9⅞-10	—	—	—	—	—	—	—
‡ 7 days or 7 days notice	—	10-10½	10-10⅛	—	—	—	—	—	—	—
One month	10 7/16-10⅝	10⅛-10 11/16	10⅛-10¼	10½-10	10¾-11⅛	—	10-10¼	10 7/16-10⅛	10¼	11¼-10⅞
Two months	10 7/16-10 9/16	10 7/16-10 9/16	—	10½-10	11-11½	—	10-10⅛	10 7/16-10¼	10 9/16	11¼-10⅞
Three months	10⅝-10½	10⅝-10½	10 7/16-10⅜	11-10½	11-11⅜	—	10-10⅛	10⅝-10 7/16	10⅝-10 11/16	11¼-11
Six months	10 11/16-10 13/16	10½-10¾	10½-10⅝	11-10½	11¼-12	—	10⅛	—	10⅝-10½	11⅛
Nine months	10½-10⅝	10¾-10 11/16	—	11¼-10¾	11½-12¼	—	—	—	—	—
One year	10 11/16-10¾	10 13/16-10 15/16	11⅛-11⅛	11½-11	12-12½	—	—	—	—	—
Two years	—	11⅛-11¾	12-12¼	12¾-12¼	—	—	—	—	—	—

†Local authority and finance houses seven days' notice; others seven days fixed. * Long-term local authority mortgage rate nominally three years 12½-13 per cent.; four years 12½-13¼ per cent.; five years 13½-13¾ per cent. ф Bank bill rates in table are buying rates for prime paper; buying rates four-month bank bills 10 7/16 per cent.; and four-month trade bills 11¼-11½ per cent. Approximate selling rates for one-month Treasury bills 10 1/16-10 per cent.; two-month 10 1/16-10½ per cent.; three-month 10 7/32-10 5/16 per cent. Approximate selling rates for one-month bank bills 10½ per cent.; two-month 10 9/16 per cent.; and three-month 10 9/32-10½ per cent.; for one-month trade bills 10 15/16 per cent.; two-month 10¾ per cent.; and three-month 10 9/16 per cent.

Finance House Base Rate (published by the Finance Houses Association) 10½ per cent. from September 1. Clearing Bank Deposit Rates for small sums at seven days' notice 6½ per cent. Clearing Banks Rates for lending 10 per cent. Treasury Bills: Average tender rates of discount 10.3675 per cent.

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AUTHORISED UNIT TRUSTS

[illegible]

INSURANCE, PROPERTY, BONDS

[illegible]

REGIONAL MARKETS

[illegible]

COMPANY NOTICES

Ford

BEARER DEPOSITARY RECEIPTS

Following the DIVIDEND DECLARATION by the Company on 10 July 1975, NOTICE is now given that the following DISTRIBUTION will become payable to Authorised Depositaries on or after 12 September 1975 against presentation to the Depositary (as below) of Claim Forms (obtainable from the Depositary) listing Bearer Depositary Receipts.

Gross Distribution per Unit	3.00 cents	
Less 15% U.S. Withholding Tax	0.45 cents	
	2.55 cents	per Unit.
Converted at $2.11½	=£0.012071	per Unit.

DEPOSITARY:
National Westminster Bank Limited,
STOCK OFFICE SERVICES,
(2nd Floor),
LOTHBURY,
LONDON, E.C.2.
September 1975.

REPUBLIC OF ICELAND

8¼% 1973/1988 UA 12,000,000

Notice is hereby given to bondholders of the above Bonds that the amount redeemable on October 24, 1975 i.e. UA 300,000 was bought in the market.

Amount outstanding: UA 11,400,000.

Luxembourg, September 10, 1975.

THE FISCAL AGENT
KREDIETBANK
S.A. Luxembourgeoise

OFFSHORE AND OVERSEAS FUNDS

[illegible]

NOTES

[illegible]

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1975 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99⅝	96 21/32	Exch.8½pc 1976‡‡	98¾	......	6.62	10.37
97¼	92 3/16	Treasury 6½pc 1976‡‡	96 3/32	......	6.71	10.16
99	97	Victory 4pc 1976‡‡	99	......	4.04	—
102	96⅞	Treasury 10½pc 1976‡‡	99 31/32	−1/16	10.50	10.44
95¼	88⅞	Treasury 6¼pc 1977‡‡	94¼	......	6.59	10.12
94⅝	86¾	Electric 3pc 74-77	93¾xd	−⅛	3.20	7.45
103 13/16	96⅞	Treasury 11½pc 77‡‡	101 5/16	......	11.35	10.77
87½	84	Treasury 3pc 77‡‡	88¾	......	3.40	9.03
90⅝	84⅝	Transport 4pc 72-77	89¾	......	4.45	9.05
96 11/16	90½	Treasury 9pc 1978‡‡	94 15/16xd	+⅛	9.49	11.44
100 7/16	96 1/16	Treasury 10½pc 78‡‡	97 7/16	......	10.77	11.54
87½	79	Exchequer 5pc 76-78‡‡	87 3/16	......	5.73	9.93
103	94 7/16	Treasury 11½pc 79‡‡	99 15/16	−1/16	11.51	11.53
79⅝	71⅞	Treasury 3pc 79‡‡	78 7/16xd	......	3.82	9.54
81 1/16	73¾	Electric 4¼pc 74-79	81 1/16	+1/16	5.24	10.06
100 1/16	94 15/16	Treasury 10¼pc 79‡‡	96⅞	−1/16	10.34	11.43
79½	71	Electric 3½pc 76-79	79¼	−1/16	4.42	9.64
95	84	Treasury 9pc 1980‡‡	90 13/16	−⅛	9.90	11.65
95 1/16	91	Treasury 9½pc '80‡‡	91 13/16	......	10.37	11.89
79	68¼	Treasury 3½pc 77-80	77¼	......	4.53	9.54
84½	71	Funding 5¼pc 78-80‡‡	83⅛	......	6.32	9.75
		Five to Fifteen Years				
76¼	66⅛	Treasury 3½pc 79-81	76	......	4.62	9.27
91⅛	72⅝	Do 8½pc '80-82‡‡	87	......	9.92	11.74
104½	86⅝	Treasury 12pc 1983‡‡	93xd	......	12.21	12.37
78	58	Funding 5½pc '82-84‡‡	74⅞	......	7.43	10.18
85¼	61⅞	Treasury 8½pc '84-86‡‡	82½	......	10.48	11.60
73¾	51⅞	Funding 6½pc '85-87‡‡	71¾	......	9.36	11.27
76¼	53	Treasury 7¾pc '85-88‡‡	73¼	......	10.72	12.12
47¼	32⅞	Transport 3pc '78-88	46¼	......	6.57	11.00
56⅞	39¾	Treasury 5pc '86-89	54¼xd	......	9.13	11.60
		Over Fifteen Years				
75½	53¼	Treasury 8¼pc 87-90‡‡	72⅛	......	12.76	12.78
57⅞	41⅞	Funding 5¾pc '87-91‡‡	54½	......	10.47	12.34
94⅝	94⅛	Treasury 12¾pc '92‡‡	94½	......	13.66	13.78
97½	65⅞	Treasury 12½pc '93‡‡	93¼	......	13.69	13.81
55¼	40½	Funding 6pc 1993‡‡	52⅜xd	......	11.44	12.82
75⅛	54⅞	Treasury 9pc '94‡‡	71⅞	......	13.84	13.55
34⅞	24¼	Gas 3pc '90-95	34¼	......	9.04	11.82
102	75	Treasury 12¾pc '95‡‡	96⅛	......	13.82	13.88
71½	54⅛	Treasury 9pc '92-96‡‡	68⅝xd	......	13.18	13.64
33½	26½	Redp. 3pc 1986-96	32xd	......	9.32	11.77
97½	93¼	Treasury 13¼pc '97‡‡	97⅛	......	13.93	13.95
69⅝	53¼	Treasury 8¾pc 1997‡‡	66¼	......	13.25	13.65
59⅞	40¾	Treasury 6¾pc '95-98‡‡	55⅛	......	12.81	13.46
75½	54¼	Treasury 9½pc 1999‡‡	72⅛	......	13.45	13.69
30½	22	Funding 3½pc '99-04	30⅛	......	11.63	12.71
62	47	Treasury 8pc '02-06‡‡	58¾	......	13.49	13.65
43¼	33	Treasury 5½pc '08-12‡‡	41¼	......	13.33	13.48
59⅝	43⅛	Treasury 7¾pc '12-15‡‡	57⅝	......	13.68	13.72
		Undated				
29⅞	22⅛	Consols 4pc	28¾	+¼	14.13	—
27¾	20⅝	War Loan 3½pc‡‡	26½	+⅛	13.71	—
27½	22⅛	Conv. 3½pc '61 Aft.	26xd	+⅛	13.36	—
22⅜	17½	Treasury 3pc 66 Aft.	21⅛	+⅛	14.07	—
18⅜	14¼	Consols 2½pc	17⅞	+⅛	13.95	
18⅝	14¼	Treasury 2½pc	17½xd	+⅛	14.17	—

**INTERNATIONAL BANK

1975 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
68	58	5pc Stock '77-82	67	+¼	7.52	12.27
97½	91½	8pc Stock 1978	97¼	......	8.22	11.25

**CORPORATION LOANS

1975 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
87¼	80¼	Birm'ham 9¼pc '78-81	86¼	−¼	10.75	12.73
93½	87	Bristol 6½pc '75-77	93½	......	6.95	11.63
90¼	82¾	Essex 5½pc '75-77	90¼	......	6.09	11.60
96⅜	90	G.L.C. 6¾pc 1976	96¼	......	7.01	11.09
92	85	Do 7¼pc 1977	92	......	7.88	12.10
99⅜	92½	Do. 12¾pc '82	97¾	......	13.26	13.81
75¾	63	Herts. 5¼pc '78-80	73¼	......	7.17	13.02
91½	83½	Liverpool 7pc '76-77	91½	......	7.64	11.88
89½	71	Do. 9¼pc '80-84	87	−¼	11.60	12.87
24	17¼	Do. 3½pc Irred.	23½	......	14.25	—
86¼	77¼	Lon. Corp. 6½pc '75-78	86	......	7.56	12.33
81	66½	Do. 9¼pc '81-85	77½	......	11.85	13.27
87¼	78¾	L.C.C. 6pc '75-78	87¼	......	6.87	12.23
72½	59½	Do 5½pc '77-81	70	−¼	7.84	12.78
64	48	Do 5½pc '82-84	62	−¼	8.99	13.01
58½	40¼	Do 5½pc '85-87	54¾	−¼	10.29	13.51
60½	42	Do 6¾pc '88-90	57¾	−¼	11.89	13.63
21¼	15¾	Do. 3pc '20 Aft.	20¼	......	14.87	
89	82¼	Middx. 5¾pc '75-77	89	......	7.02	11.99
77	64¾	Do 5¼pc 1980	74	......	7.09	13.06
89½	76	Newcastle 9¾pc '78-80	85½	......	10.80	13.30
101¼	98	Warwick 12¾% 1980	99½	......	13.03	13.62

COMMONWEALTH & AFRICAN LOANS

1975 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
96¼	89¾	**Aust. 6pc '74-76	96¼	......	6.36	11.63
85¼	80¾	**Do. 5½pc '75-78	81½xd	......	6.72	12.80
77¾	66½	**Do. 5½pc '77-80	76⅛	......	7.27	13.03
69⅝	58⅞	**Do 5½pc '81-82	67xd	−¼	8.16	13.08
61½	52¼	**East Afr. 5¾pc '77-83	61½	......	9.56	14.44
85⅝	77⅛	**Jamaica 7pc '76-78	83½	......	8.40	14.03
61⅞	52½	**Kenya 5pc '78-82	61½	......	8.12	14.47
79½	71¼	**N.Z. 4pc 1976-78	78½	......	5.16	12.63
78½	68¾	**Do. 6pc '76-80	76½	......	7.83	13.18
69⅝	54¼	**Do. 7½pc '83-86	68¼	+¼	11.25	13.47
76½	63½	**Nth. Rhd. 6pc '78-81	76½	......	7.94	12.36
74½	62	**Nyasa 6pc '78-81	74½	......	8.16	12.99
96¼	89	**Sth. Afr. 5½% '74-78	96	......	5.30	12.17
88	78	**Do. 9½pc '79-81	86	......	11.23	13.22
49	33	Sth. Rhod. 2½pc '65-70	33	......	—	—
61	42	Do. 6pc '78-81	44	......	—	—

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 61½% (based on $2.1115 per £)

CANADIANS

[illegible]

S.E. List Premium 61½% (based on $2.1638 per £)
Conversion factor 0.6293 (0.6284)

††BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS & CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

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INDUSTRIALS—Continued

INDUSTRIALS—Continued

††INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Finance, Land, Etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¾	600	Durban Deep R1	600	−80	‡Q110c	ϕ	‡
£14	790	E. Rand Prp. R1	790	−50	‡Q115c	ϕ	‡
105	38	Rand Leases 2½c	40	......	—	—	—
£34½	£22	Rand'tn Est. R2	£24	−1	—	—	—
500	215	West Rand R1	215	−25	‡Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	235	Bracken R1	248	−16	†Q52c	1.1	12.9
23	13	Daggafontein 50c	14	......	—	—	—
105	43	East Dag R1	49	−4	‡Q25c	ϕ	‡
140	140	Gvnt. Areas 5c	140#	......	—	—	—
380	175	Grootvlei 30c	175	−15	‡Q32c	1.1	‡
820	410	Kinross R1	610	−20	†Q50c	1.5	5.1
198	100	Leslie 60c	103	−3	†Q22c	1.6	13.4
550	235	Marievale 70c	235	−25	‡Q84c	1.1	‡
725	260	S. African Ld. 35c	260	−55	‡Q85c	1.2	‡
265	140	Vlakfontein R1	140	−10	Q35c	1.3	16.1
£13¾	840	Winkelhaak R1	925	−15	†Q94c	1.2	6.6
120	62	Wit. Nigel 25c	62	−2	Q1c	10.9	1.0

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£11	680	Blyvoor 25	730	−25	Q100c	ϕ	8.6
£21½	£17	Buffels R1	£17¾	−⅝	Q180c	ϕ	6.3
430	293	Deelkraal R0.20	326	−14	—	—	—
£14¾	800	Doornfontein R1	800	−40	Q110c	ϕ	8.6
£12¾	725	East Drie R1	920	−20	Q65c	ϕ	4.4
450	280	Elsburg R1	285	−15	Q51½c	—	10.0
£31	£16	Hartebeest R1	£22½	−½	Q215c	ϕ	6.0
£13¾	815	Kloof Gold R1	860	−50	Q55c	ϕ	4.0
£17¾	810	Libanon R1	810	−30	Q110c	ϕ	8.5
£13¾	910	Southvaal 50c	910	−20	Q9c	0.9	0.6
480	290	Stilfontein 50c	290	−15	‡Q65c	1.3	‡
£33¾	£21	Vaal Reefs 50c	£24¾	−1½	‡Q220c	1.7	‡
£11½	530	Venterspost R1	530	−40	Q70c	ϕ	8.3

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
112	56	Botswana RST P2	68	......	—	—	—
390	196	Messina R0.50	345	−10	‡Q60c	2.9	‡

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Charterhall 5p	52½	−3	—	—	—
115	40	Colby Mines $1	45	+5	—	—	—
760	360	Cons. Murch. 10c	680	......	‡Q130c	2.2	‡
53½	29½	Laurasia	38	......	—	—	—
19	11	NRD $1	13	......	—	—	—
375	200	Northgate C$1	270	−10	Q65c	1.0	10.4
211	80	R.T.Z.	161	−2	4.97	4.4	4.8
135	47½	Sabina Inds. C$1	79	+1½	—	—	—
81	51	Stanford Mines ¶	65	+14	—	—	—
£12½	875	Tara Explo. $1	£11¼	......	—	—	—
78	38	Yukon Cons C$1	66	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ◆ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ◆ Same interim: reduced final and/or reduced earnings indicated.
- ◆ Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♣ Regional price.
- § No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xi ex capital distribution.

"Recent Issues" and "Rights" Page 23

FINANCIAL TIMES

Wednesday September 10. 1975

Loyalist split deepens Ulster crisis

BY GILES MERRITT

BELFAST, Sept. 9.

ULSTER'S POLITICAL crisis deepened to-day with bitter wrangling between former Loyalist allies.

The Catholic Social Democratic and Labour Party—which under the emergency Government pact so overwhelmingly rejected by the UUUC yesterday might have held two out of 10 Cabinet positions in a short-term power-sharing administration—met to-day to consider the deadlock.

Refusing to comment on yesterday's developments, the SDLP made it clear that it now plans to publish its own proposals for a solution on Thursday morning, immediately before the Provinces 78-seat Convention is due to meet in plenary session.

Although a Government spokesman at Stormont Castle emphasised that the task of the Convention Assembly remains unchanged, reactions to yesterday's rejection of power sharing by the United Ulster Unionist Coalition shows that the attempt to find a constitutional answer to Northern Ireland's problems has all but failed.

Mr. William Craig, the Vanguard leader who yesterday defied the remainder of the UUUC coalition, as well as members of his own party, by casting the single vote in favour of any such pact, emphasised his isolation this morning by resigning from the convention leadership of the Vanguard party's 14 members. He will, however, remain as party chief and also as MP at Westminster for East Belfast.

Convinced

Although Mr. Craig's deputy at the head of Vanguard, Mr. Ernest Baird, to-day stated that "there is no leadership crisis," Mr. Craig's resignation is being taken as an indication of the growing seriousness of the security situation in Ulster.

Mr. Craig, long a militant hard-line Loyalist, had apparently become convinced that civil war in the Province could only be averted by political compromise.

Defending his action to-day, he said: "It would be invaluable to have a broadly based government." He also accused his partners in the three-party UUUC Loyalist coalition of being "less than wholehearted" in their search for a political solution.

Although the political protagonists in Ulster's latest crisis have been taking stock of the new situation, the expected row between Mr. Craig and the Rev. Ian Paisley has begun to break.

Mr. Paisley, as leader of the Democratic Unionist Party, is largely responsible for yesterday's massive rejection of power-sharing by the UUUC. Aided, it is now clear, by Mr. Enoch Powell, the Unionist MP for South Down, Mr. Paisley convinced the 40 Loyalist politicians who attended the policy-planning caucus that even a short-term pact would be a sell out.

Mr. Powell reportedly warned the Convention members of the possibility that a temporary coalition with the SDLP risked becoming a permanent fixture if the Westminster Parliament became tempted to legislate it over the heads of the Ulster electorate.

Mr. Paisley has declared that the deal Mr. Craig was pushing for would have given the SDLP participation at Cabinet level for a five-year period.

Mr. Craig himself has denied this and even backed slightly away from his earlier moderate position by suggesting that his stand was not on any power-sharing agreement but was rather a bid to foil Mr. Paisley's plan to bring down the Convention.

While the two parties, or rather the Democratic Unionists and Mr. Craig personally, may well continue squabbling for some time, it is clear that Mr. Paisley is at present well on his way to becoming de facto leader of the UUUC.

Using the Loyalist coalition's dominant majority position inside the Convention—it has 46 seats in all — there are no indications that Mr. Paisley is likely to back down from his stated aim of moving the Assembly's adjournment in a censure motion of Northern Ireland Secretary's security policies when the Convention meets on September 11.

And when the members reconvene, most probably on the following Wednesday, there seems little doubt that the UUUC will table its majority report rejecting power-sharing and so to all intents and purposes ending the Convention.

Not all Ulster political parties have given up hope of an 11th-hour reprieve for a political solution. The centrist Alliance Party, which has managed with some success to mediate between the UUUC and SDLP leaders at the inter-party talks that hammered out the ill-fated emergency pact, to-day called for a referendum in which the Province's voters could judge the value of a temporary coalition.

Pressure

But fears that the Loyalist refusal to continue talks stems from strong pressure from the Protestant para-military organisations like the UDA and UVF, and un-elected groups like the powerful Ulster Workers' Council, were echoed to-day by Mr. Brian Faulkner, leader of the moderate Unionist Party of Northern Ireland. Warning that the Province was "hurtling towards civil war," he claimed that the UUUC was now in the hands of the militant UDA.

AUEW leaders sidestep decision on £6 policy

BY ROY ROGERS, LABOUR CORRESPONDENT

LEADERS OF the Amalgamated Union of Engineering Workers, Britain's second biggest union, yesterday side-stepped making a decision on whether to proceed with opposition to the Government's anti-inflation pay policy or fall in line with the interpretation adopted by the TUC annual congress last week.

Instead, the executive of the AUEW's dominant engineering section suggested the TUC be approached for clarification as to how the policy's £6 limit on wage increases will affect earnings of some 2.5m. workers in the engineering industry where the issue is complicated by a two-tier bargaining system.

This stance differs widely from that of unions representing more than 1m. local authority manual workers, who yesterday agreed to lodge a demand for the full £6 and asked employers to open talks before the end of this month.

The idea of seeking TUC assistance on engineering pay will be put before a meeting of the full AUEW executive to-day and to all leaders of 19 Confederation of Shipbuilding and Engineering Unions who gather in York to-morrow.

After yesterday's engineering section executive meeting, at which some moderates suggested acceptance of the £6 policy but no vote was taken, AUEW president Mr. Hugh Scanlon said they would make "important" inquiries of the TUC for their interpretation of how the existing stages of the national engineering agreement, the next national claim due to be lodged early next year and subsequent plant level settlements, would be affected under the policy.

Until such information was available the union would be in no position to make any decision and would remain bound by decisions of the union's policy-making conference to lodge a "substantial" national demand next year and oppose any form of "social contract."

There now appear to be two main courses open to the AUEW. The favourite is probably a recall national conference to review pay policy in the light of the TUC Congress decisions and any interpretation which may emerge from the TUC on engineering pay.

The other is not to make any hard-and-fast decision at all but give tacit acceptance of TUC policy by not mounting any campaign against it by supporting strikes to win more than the £6 limit only where workers have shown exceptional militancy, and where there is a good chance of success.

The TUC has already been asked to give a view on the interpretation of the £6 policy and how it affects AUEW members at British Leyland truck and bus plants at Leyland and Chorley in Lancs.

There, 9,000 workers have been banning overtime and working to rule in protest at a Government ruling that an agreement giving increases up to £6.50 a week and lump sum payments of £52 from next Monday must be trimmed to bring it in line with the £6 limit.

As is the case throughout the industry, the Leyland issue is complicated by the national engineering agreement which will imporve national minimum rates by up to £4 a week in November and a further £2 next February.

With most engineering workers already well above the proposed new minimum rates, national agreements mean only marginal improvements on overtime and holiday pay for the vast majority. But these improvements will have to be offset against the £6 limit.

Local authority unions, in deciding to seek the full amount allowed under the policy for all adult full-time workers, are following the official TUC interpretation that the £6 is an entitlement and not a maximum as the Government claims.

Kissinger proposes 'grain-for-oil' pact with Russians

BY PAUL LEWIS, U.S. EDITOR

WASHINGTON, Sept. 9.

A LONG-TERM "grain-for-oil" agreement between the U.S. and the Soviet Union was publicly proposed to-day by Dr. Henry Kissinger, U.S. Secretary of State.

He told a Press conference here that the U.S. was interested in supplying the grain on a long-term basis, to prevent Russia's periodic sallies on to the market from driving up prices and fuelling world inflation.

In return, the U.S. might seek a similarly assured supply of Russian oil, although no firm decision had been taken on this point, and formal negotiations between the U.S. and Russia had not been opened.

In domestic terms Dr. Kissinger's proposal is clearly intended to counter growing public fears that the Administration's plan to sell Russia a sizeable quantity of grain this year will lead to another food price explosion, as happened after President Nixon's sales in 1972.

Loading ban

The Secretary of State said that the Administration would wait until it had seen the October 10 crop forecasts before deciding how much grain the U.S. could afford to export, and that the unofficial ban on Russian shipments would continue until then.

President Ford, meanwhile, announced that AFL-CIO union leader George Meaney has agreed to end a dockers shiploading boycott for one month, while the U.S. tries to negotiate a long-term grain sales agreement with the Russians.

On a broader plane Dr. Kissinger's plan for a long-term grain and oil agreement with Russia fits in with his commitment to build a stable and peaceful relationship between Russia and the U.S., and his newly-found interest in stabilising world commodity markets.

Much of his Press conference was taken up with defending détente and hinting that ways must be found to bring Russia into the next phase of the Middle East peace negotiations, after her virtual exclusion from the preparation of the latest Sinai pact, which Moscow has clearly found irritating.

He said to-day that Mr. Andrei Gromyko, Soviet Foreign Minister, would visit both President Ford and himself during the forthcoming U.N. General Assembly later this month. Besides reviewing the Middle East situation they would try to resolve the two or three important problems still holding up a second SALT agreement on further limiting each country's strategic nuclear arms.

If these could be cleared away then, Dr. Kissinger said, the full text of an agreement might be ready in a further six to eight weeks, or just in time for Mr. Leonid Brezhnev's Washington visit, which he still expected before the end of this year.

Finally, the Secretary of State continued his campaign to win Congressional backing for the Sinai pact, and in particular for his plan to let Americans man the monitoring stations on the crucial Mitla and Giddi Passes. He said the whole negotiating record would be made available to the relevant committees and that all American undertakings would be made public, though probably not what he described as "the Administration's future diplomatic intentions."

In this connection he confirmed that the U.S. Government was now virtually agreed on what aid it should recommend for Israel this year, and that it had undertaken to help the Israelis pay for their imported oil.

Editorial Comment, Page 18

Rail unions may meet next week to discuss response to cuts

BY PETER FOSTER AND LORELIES OLSLAGER

RAIL UNION leaders are expected to meet next week to discuss a joint response to British Rail's proposed cuts in services. Meanwhile, they have instructed their officials not to co-operate with BR in arranging for the cuts.

The unions fear the plan to slash services by up to 40 per cent. will mean redundancies.

Mr. Sid Weighell, general secretary of the National Union of Railwaymen, stressed that his union was opposed to compulsory redundancies anywhere in the rail system.

But, he added, the unions might be prepared to consider reducing overtime and rest-day working and switching railwaymen from one job to another.

In a letter to NUR officials, Mr. Weighell said the union had so far received only preliminary information from British Rail on the proposed cuts.

"In the absence of any agreed guidelines, all representatives are advised they can attend meetings (with BR) but in no circumstances are they to reach any agreement until they are told otherwise."

Mr. Ray Buckton, general secretary of the Associated Society of Locomotive Engineers and Firemen (ASLEF), said he accepted that British Rail was in a critical situation. But so were other industries.

"If there have to be cuts, I do not see how they can be in the commuter belt where trains are always so crowded."

Mr. David Bowick, British Rail's chief executive, emphasised yesterday that the proposed changes in services would take account of changing travel patterns.

"In the context of services carrying millions of passengers each day, they will have relatively little effect on the travelling public."

He pointed out that the main burden of cuts would fall on the London inner suburban areas where traffic had been declining for some time, and admitted this would undoubtedly lead to some passengers having to stand, "but not to an intolerable extent."

Stressing that a reduction in train services was essential if the requirement laid on British Rail by the Department of the Environment to hold the level of support was to be met, he concluded: "We have aimed to make these cuts where it will cause the least inconvenience to the public and where it will do least damage to BR's future prospects."

Meanwhile, a call for Mr Anthony Crosland, Environment Secretary, to intervene over British Rail's plans came yesterday from Mr. Leslie Huckfield, Labour MP for Nuneaton and chairman of the party's transport group.

"I am surprised that possible cuts like this should be announced before the Government has had time to issue a statement on overall transport policy," Mr. Huckfield said.

The Central Passenger Consultative Committee also expressed concern. In addition, it voiced fears at the effect on the quality of rail services should be Government plan to reduce the level of passenger support grants and its support of BR investments.

● London Transport plans to use private coaches on some routes to alleviate the present shortage of buses are running into trouble. Representatives of the 23,000 bus drivers and conductors decided yesterday that private coaches should only be used if driven by London Transport drivers.

Continued from Page 1

Healey

Zurich and the Shah of Persia." Was that what the party wanted? he asked challengingly.

Greater industrial investment was not the whole answer to Britain's economic problems and Mr. Healey drew attention to West Germany's achievement of "higher productivity."

Several trade unionists on the Executive expressed their fears about rising unemployment. Mr. Bryan Stanley, of the Post Office Engineering Union, warned the Government that even unions which supported the anti-inflation policy were worried about the Government's failure to tackle under-investment and unemployment.

"We need a bigger National Enterprise Board, instead of the one which the Government now seems to be trimming down," he said.

Birmingham journalists accept peace formula

BY OUR LABOUR CORRESPONDENT

THE nine-week-old pay dispute involving journalists at the Birmingham Post and Mail, 250 of whom were dismissed for holding meetings in offec hours, was finally resolved last night.

A meeting of the journalists last night accepted a return to work formula thrashed out in negotiations over the past few weeks and normal working will resume to-day.

Under the agreement, worked out with the help of the Advisory, Conciliation and Arbitration Service, the journalists have accepted an offer of £6 a week increases from next January 1 and the thorny issue of payment for the time since they were dismissed is to go to arbitration.

The dispute broke out when management offered increases worth an average of about £1 a head to the journalists who had sought a local "house" increase on top of an 18 per cent. national agreement.

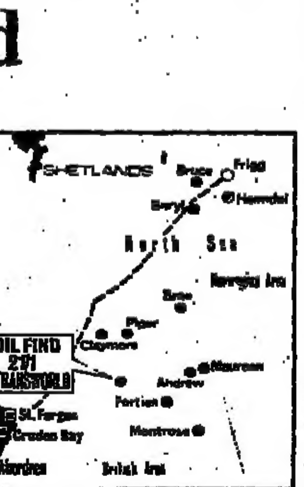
The settlement means that in effect the journalists have agreed to forgo any "house" increase this year in favour of the full £6 allowable under the Government's pay policy from next January.

Last night Mr. David Gritten, a member of the papers' NUJ chapel (office branch) committee said: "It has been worth while because of the specific points of the agreement and because of the long-term effects in improving our standing with the management."

Transworld tests confirm find

BY ADRIAN HAMILTON

THE TRANSWORLD North Sea exploration group, which includes substantial interests by Charterhall, Cluff Brothers and other U.K. financial concerns, has confirmed what is almost certainly an important commercial oilfield on its 21/1 discovery north-east of Peterhead.



While the group was still saying nothing last night about its development plans, test results from the second well drilled on the field suggest both an encouraging oil column of more than 1,500 feet and a rate of well productivity which bodes well for commercial production.

The Department of Energy revealed yesterday that it had finally awarded a contract to study the feasibility of gathering gas production in the northern North Sea into a single pipeline system. The contract has gone to a partnership of Merz and McLellan of Newcastle and Williams Brothers Engineering Company of Tulsa, U.S.

Confirmation of a second successful well on Transworld's block 21/1 discovery comes after considerable doubts had been expressed in the industry about the producing characteristics of the find, following the first well.

Test results on the latest well seem to suggest surprisingly good productivity from some zones, as well as a thicker oil column than did the first well.

The group is drilling a third well on the field, and is unlikely to make a firm decision on development until it has digested the results.

Estimates in the industry give the field a potential recoverable reserve of about 500m. to 800m. barrels, and a peak producing capacity of about 150,000 to 200,000 barrels a day.

Production from the field, should the group go ahead with plans later this year, is unlikely before 1978-79, but a major problem could be one of financing because of the structure of the group.

Partners in the find, which stretches across to a neighbouring block held by Texaco, include CCP North Sea Associates, in which Charterhall and Cluff Brothers have substantial interests, with 21¼ per cent.; Gas and Oil Acreage, with 7.5 per cent.; St. Joe Minerals, with 14 per cent.; Candel Oil, a subsidiary of St. Joe, with a further 14 per cent.; City Investing Company, with 28 per cent.; Apexco, with 14 per cent.; and Norminol with 1.33 per cent.

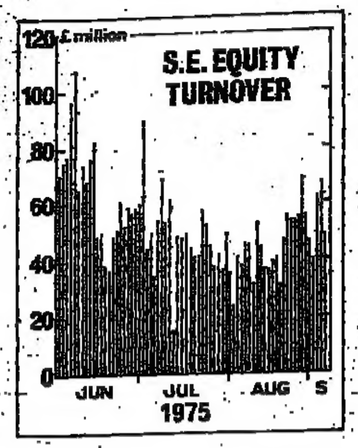
Commissioning of a gas pipeline study by the Government, meanwhile, follows its decision announced earlier in the summer to put the study out to tender to several companies. A number of groups objected to those chosen to tender on the grounds that companies like RTZ and Texas Eastern already had interests in such a proposal.

Search to safeguard gas supplies Page 18

THE LEX COLUMN

Costain taps the oil billions

Index rose 1.2 to 320.3



The Labour Party's deliberations on the economy coincided yesterday with the publication of a Central Government borrowing requirement of £3bn. for April-July, against just over £1bn. in the same four months last year. Special factors have exaggerated the deterioration, but the spending figures were also ballooning in August, and the gilt market cannot wait indefinitely for corrective action.

Costain

The stock market's enthusiasm for contractors with large overseas interests has kept Costain among the front-runners this year; its share price has trebled from the 1975 low. And the interim statement will not upset this mood with pre-tax profits £1.3m. up at £5.5m., while in line with the company's usual delphic forecasting terminology, Costain is upgrading its projected improvement for 1975 from the "modest" of the report to "useful." The advance has come all round: overseas—about three-fifths of profits—Nigeria and the Gulf stand out.

In the U.K., the group has faced further losses on fixed price contracts in heavy civil engineering. But now, at last, it can say with reasonable certainty that adequate provisions have been made, since the last two of these motorway contracts should be completed within the next two or three months. Otherwise, light civil engineering has had a good half year, benefiting from North Sea work, though property dealing and housing have been quiet. For the full year, external targets are now for £13m. or so pre-tax, against £10.65m.

Looking ahead, the group points to £400m. of orders outstanding at the end of June, up £25m. since March, of which more than two-thirds is overseas and over a quarter in the Middle East. Despite a yield of only 3.1 per cent., these prospects justify the rating of the shares. They may, however, run out of steam in the short term after a rise of over 30 per cent. since the first reports last month of the £600m. Iranian contract, to be undertaken jointly with a local group.

Audiotronics

The extent of the beat-the-Budget spree in the consumer electronics sector shows up in the 44 per cent. first half turnover jump reported by Audiotronics. Pre-tax profits have climbed a little faster—by 51 per cent. to £1.02m.—but since April, of course, the game has been completely different. Audiotronics says that most of its branches are in fact still in line with their original January-September cumulative sales targets. But September is the crucial watershed month, for unless the normal seasonal pick-up in October and November materialises the second half will fall badly below budget.

All that can be said at this stage is that current real disposable income trends are not favourable to this kind of discretionary spending. And although the group has raised its gross margins, its cost base has also risen, with the chain likely to expand from 28 to 34 units this year. However stocks have been kept low, and liquidityis no problem at present, so the group is in a strong position to ride out short term pressures. At 43p the yield is around 12 per cent., though cover may not be much more than 1.5 times this year.

Reckitt & Colman

Excluding exchange differences, Reckitt and Colman is just £320,000 ahead at £18.05m. before tax for the first six months of 1975. The U.K. has had to rely heavily on a freak summer for soft drinks while the overseas operations have been kept ahead by Australia and an unexplained expansion of margins in Europe. Overall, the forecast is for continued progress, and the shares rose 4p to 310p yesterday.

It can be argued that exchange gains and parcel of Reckitt business spread, and fall this year—which £1.8m. so far on from losses in 1974—pre tax profits ahead by net attributable return per cent. But Reckitt stuck with virtually in volume. In the and household produ again moved lower and ceuticals are still heavy research bur £1½m. this year in com 1974 sales total of £1 squashes have boo foods, with their bia additives, have perfo tively steadily.

Overseas — 81 per pre-interest profits the U.S. has moved Australia is a tenth Europe (just 7 per profits last year) has to rise from £2.3m. before interest, on gain of 5 per cent. F years Reckitt has been building up mar on the Continent expense of margins.

This half group profits are likely sluggish; but the cur ture is going to make any minor trading last year's dividend wa 2.7 times. The prospe is 4.4 per cent.

Corn Exchange

The introduction of the Corn Exchange bears some of the sca end of the early 1970s boom. Since Decem the value of the comp asset, its office buildi City, has fallen from £7m. Meanwhile the has been left with shareholder from the days — the Stern Gro 12.2 per cent. stake do in the document. Fu bought at an average just under £4 a share to find a new home Exchange is now property investment and although most leases have review 1980, the reversionary is not high at cur levels. The asset val a share, so the expectation of an ope of around 170p (based unofficial dealings) slightly hopeful.

Weather

U.K. TO-DAY
SUNNY SPELLS and showers.

London, S. England, E. Anglia, E. Midlands
Cloudy with outbreaks of rain. Wind moderate. Max. 18C (64F).

E., N.E., and Central N. England
Sunny spells and showers. Wind S.W., moderate. Max. 16C (61F).

W. Midlands, Wales, N.W. England
Sunny spells and showers. Wind W. veering N.W., fresh. Max. 17C (63F).

S.W. England, Channel Islands
Cloudy, some rain, becoming brighter. Wind S.W., veering N.W., fresh. Max. 18C (64F).

Outlook: Changeable, cool.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Alexandria	S	30	86	Luxembrg.	F	22	72
Amstrdm.	C	22	72	Madrid	F	20	68
Athens	S	31	88	Manchstr.	R	15	59
Bahrain	S	35	95	Melbourne	C	15	59
Barcelona	C	24	75	Milan	F	24	75
Beirut	F	29	84	Montreal	C	14	57
Belfast	R	15	59	Moscow	C	7	45
Belgrade	S	19	66	Munich	S	19	66
Berlin	S	23	73	Newcastle	F	17	63
Birmghm.	C	18	64	New York	S	15	59
Bristol	F	19	66	Oslo	F	20	68
Brussels	F	23	73	Paris	S	23	73
Budapest	S	18	64	Perth	S	17	63
B. Aires	S	18	64	Prague	F	20	68
Cairo	S	32	90	Reykjavik	R	7	45
Cardiff	F	17	63	Rio de J'o	S	27	81
Cologne	C	23	73	Rome	S	26	79
Copnhagn.	S	19	66	Singapore	S	30	86
Dublin	F	16	61	Stockholm	C	18	64
Edinb'rgh	F	16	61	Strasbourg	S	[illegible]	[illegible]
Frankfurt	S	20	68	Sydney	S	21	70
Geneva	S	21	70	Tehran	S	32	90
Glasgow	R	14	57	Tel Aviv	S	29	84
Helsinki	F	17	63	Tokyo	S	20	68
H. Kong	C	27	81	Toronto	C	14	57
Jo'burg	S	23	73	Vienna	F	18	64
Lisbon	S	24	75	Warsaw	S	19	66
London	D	17	63	Zurich	S	20	68

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	F	24	[illegible]	Jersey	R	[illegible]	[illegible]
Algiers	C	25	77	Las Plms.	S	25	77
Biarritz	S	23	73	Locarno	S	23	73
Blackpool	C	16	61	Majorca	C	24	75
Bordeaux	S	24	75	Malaga	S	29	84
Boulogne	C	18	64	Malta	S	29	84
Casablnca.	S	23	73	Nairobi	S	19	66
Cape Tn.	S	20	68	Naples	S	27	81
Corfu	S	29	84	Nassau	S	32	90
Dubrovnik	S	25	77	Nice	F	24	75
Faro	S	23	73	Nicosia	S	31	88
Florence	F	25	77	Oporto	S	21	70
Funchal	S	25	77	Rhodes	S	30	86
Gibraltar	S	[illegible]	[illegible]	Salzburg	S	20	68
Guernsey	C	19	66	Tangier	S	[illegible]	[illegible]
Innsbruck	F	20	68	Tenerife	S	20	68
Inverness	F	15	59	Tunis	F	32	90
I. of Man	C	14	57	Valencia	S	27	81
Istanbul	F	23	73	Venice	S	[illegible]	[illegible]

S—Sunny. F—Fair. C—Cloudy. R—Rain. D—Drizzle.

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هكذا من الأصل